

TWENTY CENTS

MAY 3, 1930

MAY 6 1930

# Sales Management

The Weekly Magazine for Marketing Executives



J. S. Sayre

*Sales Manager, Kelvinator Corporation, Detroit*

Redoubled Advertising Lifts  
Kelvinator Volume to High Level



Why Railway Express Set Up  
a Sales Department

# Bad News for the PRIVATE BRANDS

**EVERY** new food advertisement in The American Weekly flashes "bad news" to private brands.

For this great magazine which nearly 6,000,000 families look forward to every week is the exclusive weapon of the national advertiser.

To a food manufacturer who really has national distribution, The American Weekly offers the greatest advertising opportunity on earth.

With striking color pages in this publication he can whet the appetites of nearly 6,000,000 families at a time when even the price knife of the private brand is sheathed.

Every Sunday, The American Weekly goes to the breakfast table in nearly 6,000,000 homes. Every one of the families in these homes is an actual prospect for the national advertiser's wares.

These people live in the big cities and the small towns, for The American Weekly concentrates and dominates in 536 of America's 812 towns and cities of 10,000 population and over.

In each of 185 cities, The American Weekly reaches one out of every two families.

In 132 more cities, it reaches 40 to 50%.

In an additional 102 cities, it reaches 30 to 40%.

In another 117 cities, it reaches 20 to 30%.

—and, in addition, nearly 2,000,000 families in

thousands of other communities, large and small, regularly buy The American Weekly.

These families live in the richest buying areas wherein are located 67% of all the food outlets. They represent one-fourth of all the buying homes in this country. Thirty million mouths to feed—enough to consume the entire output of any manufacturer in the world!

And the economy of it all!

For less than  $\frac{1}{3}$  cent per family, a food manufacturer can address this vast market with color advertisements in pages nearly three times as big as any other magazine page in the world.

Plenty of room to tell the whole story, include the recipes and display the package life size in its actual colors.

The most buyers at the lowest cost per buyer! Do you wonder that so many food manufacturers are placing an appreciable part of their advertising appropriations in this great magazine?

Where can you spend your advertising dollar more effectively?



## Cock-A-Doodle-Doo

The American Weekly advertising revenue for the first four months of last year was the greatest in its history. The American Weekly advertising revenue for the first four months of 1930 is substantially ahead of 1929.

# THE AMERICAN *Greatest Circulation in the World* WEEKLY

Main Office: 9 East 40th Street, New York City

Branch Offices: WRIGLEY BLDG., CHICAGO . . . 5 WINTHROP SQUARE, BOSTON . . . 753 BONNIE BRAE, LOS ANGELES . . . 222 MONADNOCK BLDG., SAN FRANCISCO . . . 12-231 GENERAL MOTORS BLDG., DETROIT . . . 1138 HANNA BLDG., CLEVELAND . . . 101 MARIETTA ST., ATLANTA



# ....CHICAGO



## TO REACH THE WHOLE FAMILY

*The Daily News* is the mirror in which all Chicago sees itself—and the world. If the interest is music *The Daily News* is recognized as the medium of current news and expert comment. In art, science or whatever pursuit, its columns are a meeting place of all tastes. Knowledge of this broad range of Chicago's desires and satisfaction of them have created for *The Daily News* an intimate place of comradeship and confidence in the life and doings of this great city. *The Daily News* knows Chicago and Chicago knows *The Daily News*! • WMAQ, *The Daily News* broadcasting station, is a Chicago institution. It is an important and growing factor in establishing a closer friendship and understanding which find definite expression in ready acceptance of products advertised in this newspaper • Over 40 years ago *The Daily News* Fresh Air Sanitarium was established as a tangible expression of this newspaper's con-

cern for the child life of Chicago. Today it is ministering annually to 20,000 children, all classes and creeds, without charge or thought of reward. More than 300,000 children belong to clubs organized by this newspaper. This sanitarium and these clubs have inspired an appreciation on the part of Chicago which today is a valued asset of *The Daily News*. This kindly regard redounds to the advertiser's benefit. • As evidence of *The Daily News'* standing in this mighty human center and world market, it publishes more advertising than any other Chicago daily newspaper. It has done this consistently for 27 years. Another record of equal length is as much department store advertising as any two other Chicago daily newspapers combined • Chicago is *The Daily News*. If the plan is to reach the whole family in its hours of relaxation and reading —*The Daily News* is Chicago!

## THE CHICAGO DAILY NEWS

### CHICAGO'S HOME NEWSPAPER

Published every Saturday and copyrighted by SALES MANAGEMENT, INC., 420 Lexington Ave., New York, N. Y. Subscription price, \$4.00 a year in advance. Entered as second-class matter June 1, 1928, at the Post Office at New York, N. Y., under the Act of March 3, 1879. Volume XXII. No. 5.

## It's the COVER that makes the catalog!



**EVERY** buyer is a target for catalogs. Some he discards. Others he files and forgets. But a favored few he keeps permanently upon his desk. Why? Because their **OUTWARD APPEARANCE** as well as their contents entitles them to preference.

Such a book is pictured above, —the battery and equipment catalog of the Philadelphia Storage Battery Co. of Philadelphia. Its **DeLuxe** cover of blue imitation leather with name and title embossed in silver provides both ideal protection for its selling pages and the **APPEARANCE** which entitles it to a place at the right hand of every buyer.

The coupon below will bring you complete information on our ability to help you make your catalogs more valuable by using **DeLuxe** covers.

### Wilson-Jones Company

General Offices and Factory  
3300 Franklin Blvd., Chicago, Ill.

New York  
233 Spring Street

Kansas City, Mo.  
Eighth and Locust Sts.

Wilson-Jones Company, Adv. Div.  
3300 Franklin Blvd.

Chicago, Illinois S. M. 530  
Please advise how you can assist us in selecting the proper **DeLuxe** covers for our catalogs and sales literature.

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_

My stationer is \_\_\_\_\_

## Survey of Surveys

BY WALTER MANN

### Apologies to McCall's

Apologies are in order for an unwitting injustice done *McCall's Magazine* last week in bewailing the omission of certain charts and figures that appeared in the previous year's breakdown of the circulation of six women's magazines by J. Walter Thompson Retail Shopping Areas. The charts in question showed the comparative coverage of these six women's magazines by percentages and by figures for the various population groups from 500,000 and over down to areas with centers of 25,000 and under.

S. O. S. was right in stating that they had been omitted from this study; but did not know that they had been made the subject of a separate folder in 1930, a move which was fully warranted by the interest that they occasioned last year. The women's magazines covered are *Ladies' Home Journal*, *Pictorial Review*, *Woman's Home Companion*, *McCall's*, *Good Housekeeping* and *Delineator*. A study of these charts and the figures accompanying them is most illuminating.

The first and obvious discovery in the opening chart is the way in which the circulation leadership, which used to be generally accorded to *Ladies' Home Journal* and *Pictorial Review*, has completely disappeared. There is today practically no difference in circulation between these two publications and the former second pair, i. e., *Woman's Home Companion* and *McCall's*. Moreover, *Delineator* has now slightly outstripped *Good Housekeeping*, and these last two are steadily creeping up toward the old high-water mark of two million.

More interesting, however, is a breakdown of the circulation of these publications, first by centers plus areas, then by centers and by areas around centers separately. The charts here show that *Ladies' Home Journal*, *Woman's Home Companion*, *Good Housekeeping* and *Delineator* are distinctly heavier in circulation in the centers. *McCall's*, it appears, falls somewhat behind the others (10 per cent) in the centers, making up this lack in the areas around the centers.

All six women's magazines have greater percentages of circulation in the 500,000 and over bracket than the population percentage indicates to be equitable. The worst offenders (if this is an offense) are the *Journal*, *Good Housekeeping* and *Delineator*. The one with the lowest percentage of coverage in this bracket is *Pictorial Review*.

When we come to study the coverage in the fourteen centers of 500,000 and over only we find the above conditions even more accentuated. The coverage is concentrated more in the centers than in the areas surrounding them. All six magazines are above the population percentage. The *Journal*, *Good Housekeeping* and *Delineator* are well in the lead. On the other hand, in the areas surrounding the centers there is only one outstanding percentage, i. e., that of *Good Housekeeping*. Whether this is due to a larger percentage of suburban circulation is worth consider-

ing, for the areas around the centers of 500,000 and over naturally tend to be more suburban to these big centers than do the areas around smaller cities.

In the fifty-eight areas in the 100,000-500,000 population bracket we find the *Companion*, *Pictorial Review* and the *Journal* in the lead, with *Good Housekeeping* and *Delineator* closely following. All these are over the population percentage. *McCall's* in this case just about parallels that percentage.

When this is broken down into centers vs. areas surrounding centers a serious condition begins to show itself. The circulation percentages in the centers (especially with *Pictorial Review*, the *Companion* and the *Journal*) are far above the population percentage, in fact in some instances almost double. *McCall's* is the only magazine approximating a parallel percentage. In the areas surrounding the centers there is a marked lack of coverage, with *McCall's* coming nearest to parallel coverage. These charts would appear to indicate a much too great concentration of circulation in the centers of 100,000 to 500,000 population.

Then we drop down to the 149 areas of 25,000 to 100,000. The same condition prevails. The centers are much too thoroughly covered and the areas undercovered in comparison. *McCall's* again comes more nearly to paralleling the population percentage than any other magazine. As total areas, however, all magazines except *Good Housekeeping* offer about the same percentage of coverage.

As for the 462 areas under 25,000 we find the same condition. The centers are proportionately overcovered and the areas undercovered. Even the total areas themselves in this case are undercovered. *McCall's* shows overcoverage in the cities but more nearly approximates ideal area coverage in the surrounding areas.

For my part, I should like to see a finer breakdown of these small places. Does the town of 10,000 and under get a greater or a lesser degree of coverage than the town of 10,000 to 25,000? Does the town of 5,000 get a still lower percentage? How about the towns of 2,500 to 5,000? But since the vehicle used, i. e., Retail Shopping Areas, does not provide any basis for such a breakdown, this curiosity must for the present at least go unsatisfied.

It must be remembered that these charts merely show comparative coverage (i. e., percentage of population vs. percentage of individual magazine circulation) and that the population reduced to families, divided into the total circulation of these six magazines, tells a different story. But the comparative coverage figures are highly interesting for what they do show.

All those who are interested in advertising in the women's field should send hotfoot for this booklet, which is known as Bulletin No. 83, and is entitled "Retail Shopping Areas by Size of Centers." We predict that the demand for this booklet will be so great that it will be out of print in short order.

Write early to this column or direct to *McCall's Magazine*, 230 Park Avenue, New York City, if you wish a copy.



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Saturday . . . .

# Sales Management

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New York. Phone  
Lexington 1760

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© H. Armstrong Roberts

SALES MANAGEMENT will soon present the findings of a study of the incomes and expenditures of small-town families in a typical agricultural section of the United States. Perhaps the most interesting information brought out in this survey is the fact that expenditures for food and clothing are much higher than previous estimates.

THIS survey will lend added interest to the article on page 204 of this issue, in which is outlined the plan through which the state agricultural colleges cooperate with the Extension Division of the United States Department of Agriculture in educating farm and small-town housewives on better standards of home management and operation. Manufacturers have a direct interest in this activity—the article explains why and how.

\* \* \*

EXECUTIVES who found specific sections of last year's Reference Issue of unusual value are requested to write the editors of their experiences in using the reference material. Suggestions for additional material not included in last year's volume will aid the editors in making the new edition of still wider application and greater help.

RAYMOND BILL, *President*; PHILIP SALISBURY, *Vice-President and Director of Advertising*; J. F. WEINTZ, C. E. LOVEJOY, *Vice-Presidents*; M. V. REED, *Eastern Advertising Manager*; FREDERICK FRANKLIN, *Promotion Manager*; R. E. SMALLWOOD, *Circulation Manager*; G. D. YOUNG, *London Manager*. Published by SALES MANAGEMENT, INC., 420 Lexington Avenue, New York; Chicago Office, 333 North Michigan Avenue; London Office, 33 Chancery Lane, W. C. 2.



## How Many Cleared Checks Were Profitable to YOU?

It's a short but sweet story—the daily average bank clearings of Jacksonville's first quarter of 1930. Consider the steady increase, remembering that all Florida is prospering proportionately. And advertisers can easily capitalize the opportunity, through the all-state, 7-day newspaper:

January .....	\$2,578,000
February .....	2,704,000
March .....	2,994,000

# The Florida Times-Union

JACKSONVILLE  
FLORIDA



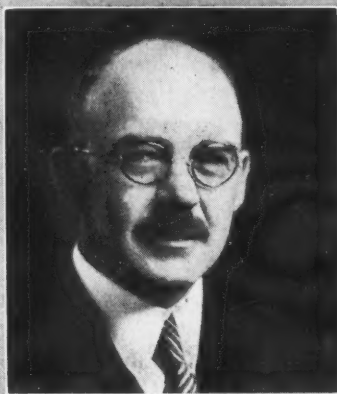
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CAMPBELL-EWALD CO.



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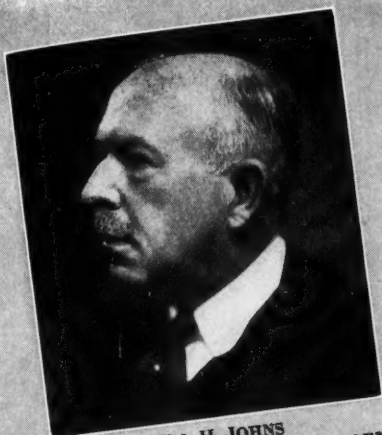


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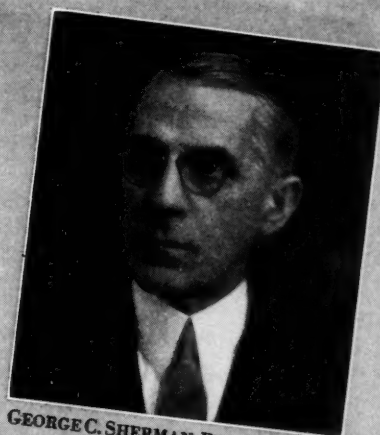




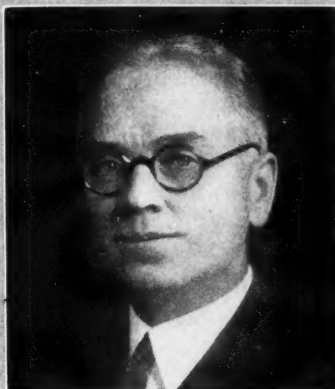
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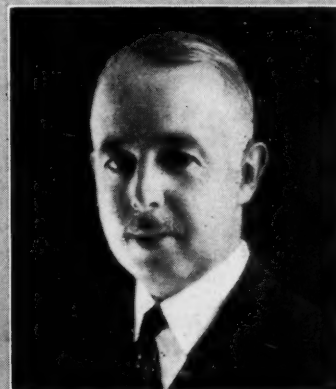
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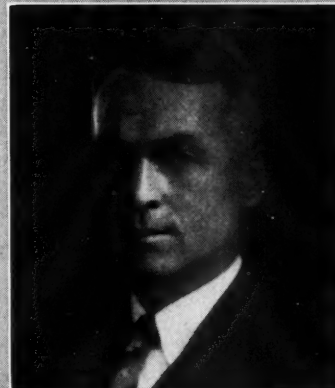
GILBERT KINNEY  
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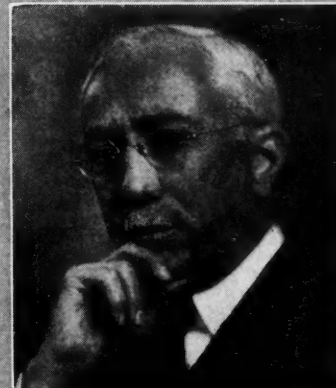
of the National Outdoor Advertising Bureau, Inc., comprises two hundred and thirty-one of the leading Advertising Agencies in the United States.

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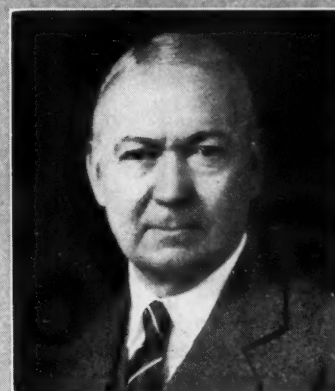
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DON FRANCISCO  
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# Significant News

• • • Julius H. Barnes, chairman of the National Business Survey Conference, finds no reason in current news to change his favorable expectations of the future. In a statement issued this week he says: "Large American industries are fully carrying out the constructive program forecast last December, and there is manifest adjustment of production of goods to current consumption, continued prudent merchandising policies in retail distribution, and evidence in our foreign trade problems of trade disturbances in other countries."

• • • Says Roger Babson: "What we need in this period is courage in advertising. . . . Every adjustment offers a great opportunity to prepare for good business. . . . When rivals and others reduce their advertising space, far more attention is attracted to those who continue advertising."

• • • Mr. Babson adds: "Less advertising by others may be more valuable to you than reduction in the price of the space you are using. When advertising values are at their maximum, space should be bought. . . . The time to push your sales and advertising is when others are irresolute and inactive."

• • • A good many companies do not need this hint from Mr. Babson, as we have seen recently, and every day brings fresh evidence of an awakening to opportunity. William Wrigley, Jr., is spending \$4,300,000 in advertising this year, \$1,000,000 more than last year; Kelvinator is doubling this year dealer cooperative appropriations of 1929 and Pierce-Arrow's expenditure will reach this year the substantial sum of \$1,500,000.

• • • United States Steel net income for the first quarter—\$35,778,000—was considerably better than expected, due in some measure to inclusion of \$2,397,000 of Federal tax refund, an item previously appearing only in annual statements. The return was \$3.44 a share compared with \$5.04 in the corresponding quarter last year.

• • • Of the future the finance committee, departing from practice, has this to say: "The present indication is that this ratio (80 per cent of capacity production) will be fairly well maintained through the second quarter, and that there will be a satisfactory volume of business during the last half of the year."

• • • Currently reported earning statements for the March quarter are similarly mixed with a decided majority far below the 1929 mark, as was expected. The combined net earnings of the first two hundred show a decline of about 19 per cent.

• • • Retail sales reports are decidedly mixed. The department stores lost 13 per cent in March over March, 1929, Sears Roebuck in the four weeks ended April 23, fell back 41½ per cent notwithstanding the April Easter this year, Woolworth's April sales are said by the company to have been substantially higher, and the same is true of Great Atlantic & Pacific Tea.

• • • Henderson, the anti-chain crusader in the air, is contemplating the addition of local broadcasting systems to cover the northwest and the northeast more uninterruptedly.

• • • Morgans in London are reported to be negotiating a Columbia Graphophone-His Master's Voice Gramophone merger. Morgan has a large interest in the former while Radio of America controls the latter.

• • • Ford has raised his discount to dealers on a sliding scale, reaching 21 per cent for those selling 500 cars or more. The minimum for small volume remains at 17 per cent.

• • • Socony and Vacuum Oil ask judicial permission to reunite, on the ground, among others, that conditions affecting their industry have changed since the Supreme Court dissolved the trust of which they were parts. In that respect their appeal for relief from shackles is suggestively similar to that of the packers.

• • • Independent Grocers Alliance, whose 10,000 members are said to have sales amounting to half a billion dollars a year, is branching out into the drug field, having started in New Jersey with 400 members of the Independent Drug Alliance.

• • • The trade-mark, Maxwell House, as emblem coupled with the phrase "good to the last drop" as slogan, the Court of Customs and Patents holds, is infringed by use of the same emblem and the phrase "good to the last bite" for other grocery lines.

• • • More than 400 fraudulent advertisers, most of them in the drug and toilet preparation fields, have been dealt with by the Federal Trade Commission in less than a year according to an official statement. The commission thinks the public purse is in \$50,000,000 as a result of these activities.

• • • Better Homes Week, which began last Monday, is calculated to stimulate much desired construction activity. The movement is aided by more than 6,500 local committees scattered over all parts of the country.

• • • Lorillard is reported to have sold 20 per cent more Old Gold cigarettes in the first quarter of this year than in the same period of last year. Sales of its Rocky Ford five-cent cigar are also up substantially. Both products are being widely advertised.

• • • Studebaker sales and earnings in the March quarter reflect the conditions prevailing in the medium price car field during that period. Sales were down from \$42,713,000 in 1929 to \$24,714,000, while net income dropped from \$5,403,000 to \$1,637,000. President Erskine takes a hopeful view of the future, liking particularly the implications of the fact that the past due installment paper of more than 400 national finance companies is up only 3 per cent.

# That Famous Old Fairy Tale— “Everybody Knows Our Product”

BY E. A. STEDMAN

*Operating Vice-President, Central Departments, Railway Express Agency, Inc.*



© Blank & Stoll

*Robert E. M. Cowie, president, Railway Express Agency, Inc.*

*In many cases it is necessary for railroads to have special freight classifications due to the fragile nature of the goods. . . . The same goods may be shipped by express at the regular rate because of the personal care afforded en route.*

FOR more than three-quarters of a century railway express companies have been serving the shippers of this country and serving them well. Now that the principal companies have merged and formed the Railway Express Agency, Incorporated, which is owned by eighty-four of the railways over which it operates, we are in position to serve them better than ever before. And yet, after all these years, we find many shippers amazingly unfamiliar with the advantages of our service.

We find this unfamiliarity so general, in fact, that recently we have formed an organization for promoting an educational campaign—a sales campaign, if you prefer—to familiarize shippers with the service which we have to offer them.

Of course we have done some selling in the past. We have had agents and solicitors who called on shippers occasionally and got some business. More of that was done back in the early days than in recent years. In some of the larger centers we had a committee which published a sales bulletin. Then, too, our drivers were and are expected to promote business. On the whole, though, our promotional activities were quite limited. Perhaps we were under the impression

that the pathway to our door was so well worn no one could miss it.

If so, we have changed our mind. We have found that our service isn't nearly so well known and appreciated as we think it should be. We see almost unlimited possibilities of increasing our business merely by telling shippers about our service, instead of waiting passively for them to ask us.

Ask almost anyone the best way to ship 100 pounds of goods from Chicago to Denver, for example, and he will almost certainly say "freight." Ask the best way to ship ten pounds or less and he will say parcel post. He may be correct in each case, of course, but again he may not. In many cases it would be far better to send both shipments by express.

He doesn't know that and just because he doesn't know it we are going to tell him. About the first of the year Robert E. M. Cowie, our president, and J. H. Butler, general manager of the department of public relations, suggested that the operating vice-presidents, of whom there are five, give some thought to this matter of better acquainting shippers with our service. We heartily approved the suggestion and immediately began to map out a course of procedure.





Even though they sold a public service of long standing, the Railway Express Agency, Inc., found, after many years, that the public knew comparatively little about the advantages of their "product." So they organized a sales department, took a leaf from the experience of commodity manufacturers, and began to sell their "line" to shippers all over the country just as shoes and stoves and shingles are sold.

The present plan was developed and became effective March 1. Briefly, this plan provides for a superintendent of traffic in each of the five operating vice-presidents' territories, a traffic agent representing each of the eighteen department general managers and a corps of traveling commercial agents working under the direction of each traffic agent. The activities of the entire organization, in turn, are correlated under the general supervision of Mr. Butler.

For the present the average number of traveling commercial agents in each territory will be about three, making an organization of more than fifty traveling salesmen who should be able to do much constructive work of an educational and promotional character. They will be salesmen in the fullest sense of the word, however, the principal aim of their work being to convince shippers of the advantages of shipping by express.

In addition to this field force, we have a local commercial organization in each of the larger centers. In Chicago, for example, we have a traffic agent, six assistant traffic agents, and eighteen commercial agents. All these men might correctly be considered salesmen, although they have other traffic duties also.

The nearly 20,000 drivers and chauffeurs also can do a great deal of constructive work in building good will and actually soliciting business, and we are taking steps to train them better than they have been trained in the past. We have already held several meetings with them and others are scheduled.

There will also be occasional meetings of the field forces in each vice-president's territory for the purpose of improving the service.

It is not our purpose to disparage competition, but we do intend to tell the shippers of the advantages of shipping by express when it really is to their interest to do so.

The plan is still very new, of

course, but examples of the need of such work and of results already obtained are numerous and impressive.

The first prospect on whom one of our commercial agents called was a company in Wisconsin, shipping goods in 5,000-pound lots to Chicago. We heard that the goods were being shipped by motor truck and sent a representative to call on the shipper and see whether it wouldn't be as well or better for him to ship by express. It so happened that the truck had broken down on the way, the goods had been delayed, and the shipper was glad to learn the details of a service which doesn't break down so often. He is now shipping by express.

In many cases it is necessary for the railroads to have special freight classifications, such as double first-class, due to the fragile nature of the goods and the necessity for careful packing or handling or some other legitimate reason. The same goods may be shipped by express at the regular rate because of the personal care afforded en route. One concern was making frequent shipments of this class to the Pacific Coast. Our representative called, analyzed the problem, and pointed out that for about 5 per cent more the shipper could send the same goods by express, thus effecting a saving of five days in time and a considerable part of the packing costs, as they did not require such careful packing when shipped by express. A conservative estimate is that this concern will send about 1,000 shipments a year by express as a result.

A candy manufacturer had been shipping by freight and often found it necessary to hold up orders for as long as a week in order to accumulate enough to make a freight shipment. This resulted in poor service to his customers, of course, and also allowed the goods to become somewhat stale. When he learned that articles of food and drink take the second-class express rate he was very glad to ship all orders



*Courtesy Dayton Herald*

***The nearly 20,000 drivers and chauffeurs can do a great deal of constructive work in building good will and actually soliciting business.***

promptly by express. In two days after learning this the shipper sent 126 shipments by express.

Consider the relative costs of shipping a trunk from Chicago to Denver. Ordinarily the shipper would think of only one service and that would be freight. But we have been able to point out to such prospects that by the time they pay for having the trunk crated and pay drayage at both points, it is about as cheap to ship by express and a great deal quicker and more convenient; nor does he have to bother about having the trunk crated or hauled to and from the freight house.

In many cases shippers have asked us to develop a schedule for them to compare with parcel post. I can't think of any case in which we have failed to get the business after we pointed out that express is quicker, we pick up and deliver, we provide free insurance up to \$50, or fifty cents a pound, we give a receipt when we accept the shipment and take one

*(Continued on page 233)*



*The demonstration work is carried on through groups of farm women such as this camp meeting of two Ohio counties.*

## How You Can Contact the Farm Market Through Government Home Demonstrations

**L**AST year more than 125 manufacturers and large retail stores lent or donated specialties and merchandise for home demonstrations conducted by the state agricultural colleges in cooperation with the Extension Service of the Department of Agriculture. An idea of the value of this to the concerns involved is indicated by the fact that, in 1928, as reported by all of the extension agents engaged in the work, there were 128,497 result demonstrations held for foods, 43,931 for nutrition, 81,126 for clothing, 30,950 for home management, 33,093 for house furnishings, 23,421 for health and sanitation, and 17,657 classed as miscellaneous.

In discussing the subject recently, Grace E. Frysinger, extension home economist in the Central States, commented on the increasing number of manufacturers who have studied the needs of home demonstration work to an extent that makes their cooperation valuable.

"The American home," she said, "represents the result of factory production quite as much as it does the home-maker's activities, and our pur-

In cooperation with the Extension Service of the Department of Agriculture, the agricultural colleges each year conduct hundreds of educational meetings and demonstrations for the benefit of rural women. By conforming to some simple rules, manufacturers in various lines can get their products introduced to farm women under these favorable conditions.

BY JAMES TRUE

pose is to aid in reducing the number of activities and in simplifying them with the products of the factory, so far as it may be accomplished economically. Rural home-makers are realizing this necessity as never before, and, with the assistance of our home demonstration agents and specialists, they are studying their responsibilities as purchasers of the manufactured products used in their homes.

"It is to be expected that manufacturers would take an interest in having their goods used in this educational work; but the producer who offers his cooperation merely for the advertising advantage he expects to receive will fail of his purpose, I am sure. Those manufacturers who are really aiding in the work realize, with us,

that the fundamental purpose is threefold, and that the real objective is the development of the rural woman, the farm home and the community.

"The rural woman must be given more and broader opportunities to develop herself as an individual, a home-maker and a citizen. Her home must be benefited economically, physically, socially and spiritually. The community, also, must be de-

veloped to furnish adequate facilities for group meetings and other necessary factors of the work and benefited socially and in many other ways.

"When a manufacturer of suitable goods understands our purpose and is willing to conform his policy to the principle on which we operate, his reward is much greater than any temporary advertising advantage. For the principle involved is so fundamental that, in educating the home-maker into a consciousness of a new and more helpful point of view, permanent judgments are created that invariably result satisfactorily to the cooperating manufacturer. Training of farm women not only rapidly develops their judgment, but also creates a permanent interest in the products used.



"The knowledge gained through these studies has made thousands of farm women more intelligent buyers with a knowledge of good materials and construction. They have learned what to buy and when to buy it, when it is economical to invest a relatively large sum, when a cheaper product may well take the place of a more expensive one, and many other phases of basic purchasing economy."

As Miss Frysinger further explained, the demonstration work is carried on through groups of from ten to twenty-five women. Each group in a county usually chooses two leaders who, with leaders from other communities, are trained by the home demonstration staff. After the leaders are thoroughly trained they return to their communities and instruct the members of their respective groups.

These local groups meet in a farm home for a half-day. The local leader presents to the home-makers information she has received from the home demonstration agent and conducts a demonstration to show the application of the recommended practices. The women present, in turn, make similar

applications in their own homes and, at the next meeting, which is usually held a month later, report their satisfaction of the results attained.

While the service also includes special meetings, demonstrations and exhibits, the group method is the most frequent form of instruction, and the report previously quoted states that the outstanding development of the year was the high quality of leadership shown by the rural women.

According to a study made in 1928 of five states, 57,046 local leaders gave aid in organization, analyzing local needs, program planning and other administrative work concerned with home demonstration programs. And in 1929, in all of the states, 137,639 local leaders in subject matter were trained by the home demonstration staff, and gave aid in training their neighbors in improved home practices.

Statistical data from Missouri gives an idea of the extent and variety of the work. For 1928 the Missouri report states: "The food and nutrition project results include: food preparation, 41,778; food preservation, 11,839; nutrition, 60,986. Clothing

follows second with 99,930 homes improving practices. Other project records are: home furnishings with a total of 43,851; home management, 28,260; home health, 19,520; sanitation, 12,454; beautification of home grounds, 10,981; home gardens, 10,591; home marketing, 3,031; home poultry, 2,138; and miscellaneous, 19,157."

As a typical subject, and to show the sequence of development in the work, Miss Frysinger discussed the study of bedding as made by the rural women of Illinois under the guidance of home demonstration agents and extension specialists in home management.

"This study," she said, "was an outgrowth of a study of the home-maker's use of her time. It has been conducted for three years and has been presented to practically all of the rural women in the local groups of the state.

"First, the women were taught the desirable standards of beds and bedding, and such items were emphasized as construction of mattresses, ticking

(Continued on page 229)

*"Through cooperation with the extension service . . . I believe any manufacturer of suitable goods can immeasurably improve his farm markets," says one of the government extension workers.*



*Local groups of from ten to twenty-five women meet in a farm home for a half-day, when demonstrations, such as this one for refinishing old furniture, are given.*

# What Price Profitless Sales?

BY RAYMOND BILL\*

THESE are days when, in our efforts to reduce expenses, it behooves us all to give careful attention to the effect of proposed economies upon national purchasing power.

Most business men, bankers and economists recognize the principle that high wages for labor mean increased national prosperity. From a logical standpoint we may not be entirely clear as to why this is true, but we know the *visible evidence* leaves little or no room for doubt.

But just because we have discovered a great economic principle in the disguise of a seeming paradox, why should we stop short in the breadth of its possible application? Is it not quite probable that this principle governs more than one layer of our economic society?

Take the case of George Haines, who sells tickets in the Grand Central Terminal for the New York Central Railroad. Consider Harriet Hebscher, who sells tickets for Loew's Theatre in Cleveland. Call to mind the Hon. Charles E. Hughes when engaged in the private practice of law. Ponder over Edsel Ford, president of a giant industrial enterprise, and look over his shoulder to his efficient secretary.

Do not every one of these, from the lowest paid to the highest, receive compensation for services rendered? Does not their *earned income* constitute wages just as truly as does the weekly stipend of a Bohunk miner in New Castle, Pennsylvania?

In some strange and inexplicable manner most of us have been led to regard the "wages of labor" as relating only to compensation paid to factory employes and others primarily engaged in the production processes of industry. On reflection this seems stupid. Even if for purposes of economic discussion, we took a certain per diem dollar amount of compensation as the point of demarcation between wages for labor and other earned income, we should find ourselves on indefensible ground, because it often happens that the earned income of those in the distribution, clerical and *even executive* ends of

business amounts in per diem pay to less than the union scales of many industries.

We submit that *there is no white collar line* between wages of labor and any other compensation paid to any other type or class of worker for *personal services rendered*.

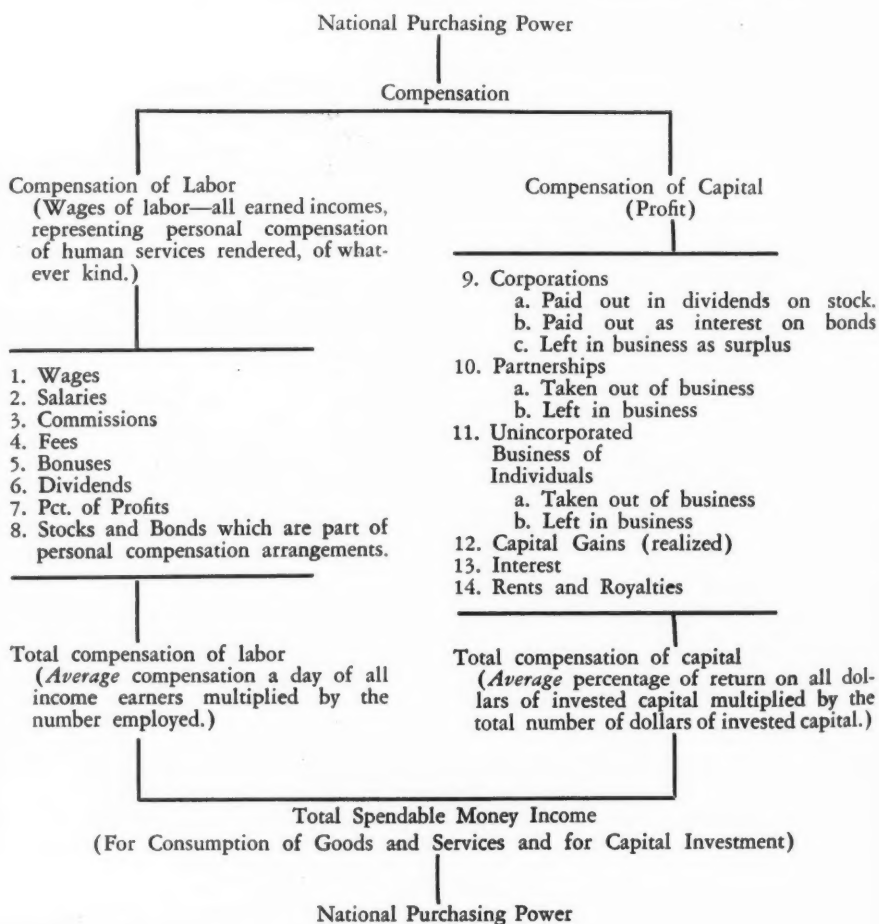
We submit further that *there is no dollar line* between wages of labor (as popularly defined) and the compensation of stenographers or company presidents. *All compensation for human services, whether in wages, salary, royalties, bonus, commissions, percentage of profits, fees, or return on securities which constitute a part of compensation arrangements is in*

fact, part and parcel of the wages of labor. Men can be doctors, lawyers, farmers, clerks, hot-dog wagon operators, chauffeurs, painters—women can be hairdressers, manicurists, opera stars, authoresses—the livelihood of all is part of the wages of labor. In short, the proper definition is this: *The Wages of Labor is the total of all earned income for human services rendered of whatever kind.*

With this enlarged definition of the wages of labor clearly in mind, it must now be obvious that the doctrine "high wages for labor means increased purchasing power and greater national prosperity" applies with equal force to *all earned incomes*, and not, as is often thought to be the case, do just the income of factory labor.

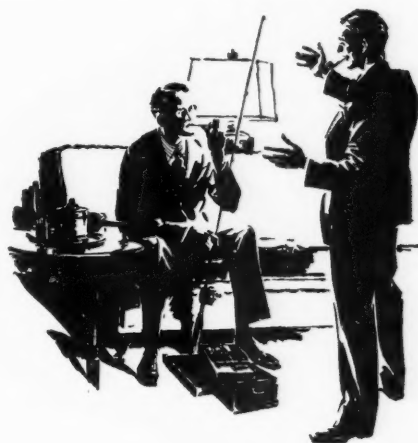
(Continued on page 208)

## A Chart Tracing the Flow of Purchasing Power Through the Channels of Compensation Back to Purchasing Power



\*This is the fourth of a series of articles, the others having appeared April 12, 19 and 26.





## We swap fish-stories with the man you want to meet

WE discount some of his tales; we hope for his sake that he discounts some of ours. But the fact remains, that through years of association we know this man you would like to call your customer pretty well.

Now, through the Marine Midland Group of banks, you can enjoy the advantage of personal acquaintanceship with The-men-that-count in ninety per cent of New York's trading area. Two hundred bank executives stand ready to introduce you to them.

Today, personal friendship in business means more than ever before. You know that. And the opportunity for close contact with your New York State business is just one of the many advantages you enjoy as a depositor in a Marine Midland bank.

### *What the Marine Midland Group is*

The Marine Midland comprises a group of 17 banks which have joined together for greater strength and for greater service to their 360,000 customers. The ownership of each of these 17 banks is controlled by Marine Midland Corporation which is a holding company, *not* an investment trust. Association with these banks enables each bank to draw upon the experience and resources of one of the strongest financial groups in America.

## BANKS OF THE MARINE MIDLAND GROUP

*Combined Resources over \$550,000,000*

### *These New York State Banks now offer advantages of Marine Midland Membership:*

BUFFALO.....Marine Trust Company  
NEW YORK CITY.....Fidelity Trust Co.  
ROCHESTER....Union Trust Company of Rochester

TROY.....Manufacturers National Bank of Troy  
NIAGARA FALLS.....Power City Bank  
NIAGARA FALLS....Niagara Falls Trust Company  
BINGHAMTON.....Peoples Trust Company  
TONAWANDA.....First Trust Company  
LOCKPORT.Niagara County National Bank & Trust Co.  
NORTH TONAWANDA.....State Trust Company

JOHNSON CITY.....Workers Trust Company  
LACKAWANNA.....Lackawanna National Bank  
JAMESTOWN.....Union Trust Company  
EAST AURORA.....Bank of East Aurora  
CORTLAND.....Cortland Trust Company  
ALBION.....Orleans County Trust Company  
SNYDER.....Bank of Snyder

If ten shoe factories each cut down the wages of 3,300 factory hands from \$6 to \$4 a day, we know there has been a decrease in national purchasing power.

If the presidents of 1,000 companies are cut from a salary \$35,000 to \$15,000 a year, we should recognize that there has been a quite comparable reduction in national purchasing power. And the same would be true if 10,000 salesmen drop off from \$8,000 to \$6,000 a year in their commissions earned.

This comparison leads us to conclude that no progress can be made in the direction of prosperity by cutting compensation, not only of labor (as popularly defined), but of any kind of income earners. Likewise, no sound forward progress can be made if for any reason the number of gainfully employed is cut down. It matters not whether they be employed in production, distribution, office, consultant or executive capacities. The real total of national purchasing power of the wages of labor is: the number of income earners of *all* types multiplied by the average income a day.

### Three Objectives

Insofar as this phase is concerned, those who feel inspired to put their shoulder to the wheel to create better times have only three objectives: (1) How can I give steady employment to *all* of my present employes without reducing their compensation? (2) how can I devise ways and means of affording employment to an additional number of men and women? and (3) how can I increase the compensation of part or all of the workers employed by my company, regardless of type of work they each may be doing?

But there is another great factor in this matter of purchasing power. It is none other than business profits, *viz*, the return on invested capital, after full and adequate allowance has been made for all types of compensation for human services rendered.

Prosperity is based on two fundamentals—compensation of labor under the broad conception set forth in this article and compensation for invested capital. It makes no difference whether money be invested in big or little companies; it makes no difference whether companies be incorporated or unincorporated; it makes no difference whether profits on capital (compensation) be paid out as bond or note interest, rents or royalties, preferred or common stock dividends, or kept in the business as *surplus*—in every case such profits constitute an inseparable part of national purchasing power. The total of capital

profits is: the average per cent of return on all invested capital multiplied by the total number of dollars of invested capital.

No longer is it practical, possible or selfishly desirable for individuals or companies to hoard profits or wages. Under our modern economic system, *all* of both goes back into some active purchasing function. That is why national purchasing power represents the total of earned compensation for human service rendered plus the profits earned on invested capital. That is also why profits are subject just as much as labor to the doctrine "high wages mean increased purchasing power and greater national prosperity." Indeed, it seems in order to amend the doctrine to "*high wages for labor plus high profits for invested capital mean increased purchasing power and greater national prosperity.*"

In the last few years there has been too great a tendency to believe, that while it was proper to keep wages high, it was sound to reduce profits. America has been paying a terrific price to prove to itself that such is not the case. The wide-scale practice of profitless sales has *exacted* a sizeable toll from national purchasing power. We have been witnessing a practical and costly demonstration of the fact that transferring business from one company to another, *because the second company reduces the profit margin substantially*, does not really result in a more efficient economic order or greater national prosperity save in *exceptional* cases. The increase in the purchasing power of the individual dollar gives way to the greater loss in total national purchasing power, due to the gradual lowering of the average return on capital invested and the slowing up of total new dollars being accumulated for investment.

### Stimulates Purchasing

Some companies have been quite altruistic in their policy of reducing prices by reducing profit percentages—some have only sought to gain competitive advantage. Both are learning that profits are a stimulant to purchasing power and not a deterrent as imagined. They are also learning that high profits are just as essential as high wages for prosperity, even though for just as seemingly paradoxical a reason.

Lower prices should come primarily from such things as (1) new uses of products, (2) better designing, (3) improved production methods, and (4) widening of consuming markets. Low prices are not soundly beneficial when arrived at by decreasing either wages or profits.

The concerns which in greatest degree are helping business as a whole are those currently insisting upon a goodly margin of profit. With all his mass methods—with all his capital resources, Henry Ford is not trying to set the world afire by making sales for volume's sake. Statistical analysis indicates he made a profit of about \$45 a car on all cars sold in 1929. That is a *good* percentage of profit when figured on the average dealer price of Ford cars. Ford is not seeking and never has sought to lick competition by cutting his profits per dollar of sale to the bone. Neither does Ford seek his competitive success by lowering the wages of labor. Ford may not be thought of as a great economist, but he is proving an ability to devote his competitive efforts to those factors which bring success but reduce neither wages nor profits. And he is successful on that basis.

### No Simple Solution

Just why so much of America has gone "haywire" on the idea that reduced prices, because of a reduced per cent of profits per dollar of sales, will increase sales and total profits, seems to be an enigma. If it only took the ability to see that principle to be successful—how simple would be the problem of successful management—and how dumb from the standpoint of both intellectual and emotional interest. Fortunately, indeed, the solutions are not so simple. How inspiring it is to know that back of our more selfish ambitions to make money stands the greater and entirely unselfish fact that *goodly profits in business are essential to a continuance and upbuilding of purchasing power and national prosperity.*

How consoling it is to *know* that after all the making of profit is neither a crime, a disgrace, nor a vulgar display of ego, but that it is, on the contrary, a direct blessing *collectively* as well as individually.

[For next week's discussion we are planning to reprint some of the letters which this series of articles on "What Price Profitless Sales?" has brought from our readers. The interest in the subject has been widespread, and because of its nature, multiplicity of viewpoints is welcomed by the editors.]

### Leighton Restaurants Start Advertising

Leighton Industries, Inc., largest restaurant chain west of Chicago, with units in the principal cities of California and Oregon, has just started its first advertising campaign—using newspapers, car cards, direct mail and radio.



# These Ideas Landed Orders from Big Food Buyers

BY J. O. DAHL

**S.** GUMPERT AND COMPANY in Brooklyn, New York, employ a staff of several hundred salesmen who sell no merchandise to retailers or homes. Nevertheless, their sales total over \$5,000,000 a year. Not many companies of this size escape publicity. At least their brand names are fairly well known through advertising to the home buyer.

But S. Gumpert does not advertise in consumer mediums and the company name, known to practically every one of the 170,000 hotels, restaurants, clubs, schools, hospitals and other quantity consuming outlets, is its only trade name. This has been made possible at an advertising cost of not more than \$50,000 a year.

The Gumpert organization specializes on gelatine, pudding, powders, chocolate desserts, cream desserts and other quickly prepared dessert ingredients. The line is being augmented from time to time and each new product means another educational job for the sales manager.

My first experience with one of their salesmen was several years ago when I managed a Western hotel. It was my first job in that capacity so I knew very little about the companies that served us.

My first impulse was to tell the salesman that I had no interest in an untried product. His answer was to take a well-known hotel

publication from his portfolio and toss it on my desk—face down. On the back cover was an S. Gumpert advertisement in color.

"You'll find our advertisement in this magazine every month. We've been in it for as long as I remember—about six years. That's the best magazine for hotel managers and it wouldn't take our advertisement if we weren't a good house. And take it from me, we couldn't afford to pay



## Peach Pie Southern Style

DESSERTS [A-5]

INGREDIENTS	12 Servings	50 Servings
Prepared fruit .....	1 quart	1 gallon
Nutmeg .....	1 teaspoon	1 tablespoon
Flour .....	3 tablespoons	¾ cup

Stew the fruit and sweeten to taste. Mix the flour with a small amount of cold water and pour into the fruit as it begins to boil. Stir well. When cool, mash the fruit and stir in the nutmeg.

Line the pie tins with Crisco pastry (see card: "Desserts 1"). Prick the crust with a fork to prevent the crust from blistering. Bake at 425°F for 20 minutes, or until thoroughly baked. If desired, place an empty pie tin on top of the crust while baking. This will keep the crust from blistering.

When the crust is cool, fill it with the fruit, which should also be cool. Cover the fruit with a generous portion of whipped cream. Pies made in this way will not have a soggy bottom crust.

Printed in U. S. A.

Form 79-U

*Tested quantity recipes such as are furnished by General Foods and Procter & Gamble are valued highly by hotel and restaurant buyers.*

for it if managers like yourself didn't keep on buying. You wouldn't buy junk, would you?"

"Certainly not," I replied.

"Neither would the thousands who do buy from us," he said. "I'll tell you what I'll do," he added. "Introduce me to your chef. Then come back in the kitchen at noon and I'll show you the best looking and most delicious dessert you ever tasted."

When I returned at noon the sales-

man had made a dozen different kinds of most artistic dishes I had ever seen, outside of a food exhibition. I knew at once that they would sell. The color, texture, flavor and taste were excellent.

"What about the cost?" I questioned. "They look difficult to make."

"No, I can make these easily," interjected the chef. "He showed me how. There's good profit in them, too. Better than pie and ice cream."

So we became regular customers of Gumpert's. Undoubtedly, the products are still being used in the same hotel.

Several years later, while on a visit to Cincinnati, I had an opportunity to listen in on a solicitation by another Gumpert salesman. My friend operated a successful cafeteria. The manager had heard of the products but was not using them. "My customers don't care for gelatine or puddings," he said.

"You know that the quality is good, don't you?" asked the salesman.

"Yes, I have no objections to your product, it's the public. I don't want to spend money educating them. It's cheaper to give them what they want."

"Well, I'll make you a sporting proposition," said the salesman. "I'll make an assortment of desserts for you. I'll even pay for all the ingredients. You give me a little space on your counter, a couple

of feet in the window and let me put a couple of streamers near the door. If you sell the food the money's yours. If you can't, I lose. The odds are all in your favor."

The salesman followed the usual procedure of making up the dishes—at the same time doing a double selling job by showing the cooks how to make the dishes. Then he made a display in the window and on the cafeteria counter. Above the window

## Important Factors in Advertising and Selling to Mass Markets

Key to Chart: A—Very important; B—Fairly important; C—Considered; D—Not considered.

	Price Factor	Quick Delivery	Ease of Preparation	New Uses	Wholesomeness	Good Appearance	Ease of Storage	Quantity Recipes	Taste and Odor
Hotels	C	B	C	A	A	A	C	B	A
Restaurants	B	A	A	A	B	A	A	A	A
Hospitals	B	B	B	C	A	B	C	B	A
Schools	B	C	A	B	A	C	C	B	B
Clubs	B	B	C	C	C	A	C	B	A
Institutions	A	C	A	D	C	D	D	C	C
Industrial Restaurants	A	C	A	C	C	D	C	C	B
Steamships	B	A	B	C	C	C	A	D	A
Dining Cars	C	A	A	C	C	B	A	C	A
Soda Fountains	A	A	A	B	C	A	A	B	A

## Food Buying Factors in Mass Food Markets

	Manager	Steward	Chef	Dietitian	Superintendent	Purchasing Agent	Board
Small Hotel	X		X				
Medium Size Hotel	X		X				
Large Hotel	X	X	X			X	
Small Restaurant	X		X				
Large Restaurant	X	X	X				
Small Club			X		X		
Large Club		X	X		X		
Schools	X	X	X	X	X	X	X
Institutions		X	X		X	X	X
Steamships		X				X	
R. R. Dining Cars						X	
Small Hospitals			X	X	X		
Large Hospitals		X	X	X	X	X	
Industrial Restaurant	X	X	X	X		X	
Soda Fountains	X						

have come up through the ranks. Theoretically at least they know good food and how to give the public what it wants.

Actually, this is not always true. But the Gumpert salesmen with whom I have come in contact know just how to handle the problem of telling a supposed expert how to do his job better. I saw an example of it in Illinois last summer. He was selling a restaurant man who has been unusually successful because he stays in the kitchen to supervise food preparation. Here is how the salesman handled that situation.

"I came in, Mr. Blank, to show you a couple of recipes from Chef Famous, of the Grand Hotel in New York. You've heard of him. He writes a lot for your restaurant magazines. We think these are about the best he has done. I'll be glad to make up a couple so you can taste them. They might make a good addition to the excellent ones you had when I ate here on my last trip."

That was good selling on the part of the sales manager and the salesman. One produced excellent material and the other knew how to use it. Very seldom does one find intelligent coordination such as this example.

Last fall, on a Western trip, I had an opportunity to visit a number of wholesale grocery houses that have added institutional departments to go after this quantity business. Increased competition from chain groceries has shut out the independents to the point where the wholesaler has little left except outlets with poor credit risks

(Continued on page 232)

display he put up two neat paper streamers, calling attention to the dishes in the window.

Before the meal was half over his thirty desserts had been sold, while the heavier and less profitable dishes remained untouched. And so another big food customer was added to the list. Each day hundreds of well-trained men are doing this double job of demonstrating and selling. They do it subtly and efficiently.

The men are carefully selected. They must show a liking for preparing foods. They must learn how to make the most popular and salable dishes from Gumpert products. But nothing is left to guesswork. Regular school days are in order for embryonic salesmen. Practice in preparation makes perfect. Then they go out as junior salesmen.

Selling to food buying factors in hotels, restaurants, clubs, hospitals and schools is not an easy matter. These buyers are experts. Generally they

## An Estimate of Annual Expenditures for Food in Institutions

	SALES	FOOD PURCHASES
110,000 Restaurants (25,000 rated)	\$ 5,004,875,000	\$ 2,502,437,000
25,000 Hotels (8,500 over 50 rooms)	926,000,000	500,000,000
7,200 Hospitals	185,000,000	185,000,000
4,200 Clubs	142,000,000	142,000,000
6,600 Institutions	113,000,000	113,000,000
35,000 Camps, Ships, Railroads, Stands, Army and Navy	110,000,000	110,000,000
11,000 Schools	105,000,000	105,000,000
Total Institutional Market	\$ 6,585,875,000	\$ 3,657,437,000
Total Home Market	\$16,097,125,000	\$16,097,125,000
Total United States Food Market	\$23,683,000,000*	\$19,754,562,000

The word "institution" is used for the want of a term that more nearly describes this group where people eat or sleep under one roof.

It has been called "The Hospitality Group," but this, too, is limiting the actual scope of the field.

"Users' Market" is the latest definition. It is a fact that most of the food sold to institutions is consumed on the premises.

Institution market is 18.5 per cent of total food purchases.

\*Inclusive figures range from this amount to \$28,000,000,000.

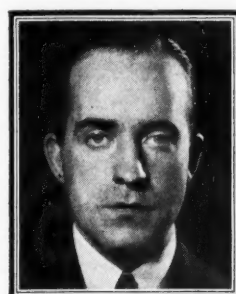




MARY SCANLAN SPIER  
Secretary, Radio Department  
New York



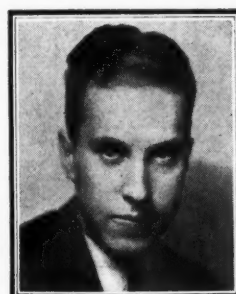
ARTHUR PRYOR, JR.  
Manager, Radio Programs  
New York



HERBERT SANFORD  
Program Director, Radio Department  
New York



GEORGE J. PODEYN  
Manager, Radio Promotion  
New York



WILLIAM SPIER  
Program Director and Announcer  
Radio Department  
New York



KENNETH M. FICKETT  
Program Director and Announcer  
Radio Department  
New York



WILLIAM R. STUHLER  
Program Director  
Radio Department  
New York



THOMAS HARRINGTON  
Director of Morning Programs  
Radio Department  
New York

# Audible Advertising

OUR EXPERIENCE in radio broadcasting covers five years. We plan, write, rehearse and direct more programs than any other agency.

This radio activity is a service to our clients. It is not offered separately, because we believe that unless an agency is intimately acquainted with an advertiser's entire business, it cannot

- intelligently advise whether broadcasting should be used, or
- successfully plan a program adapted to the advertiser's special needs.

Our Radio Bureau, containing 23 people, works with the rest of our organization, which is becoming as familiar with this new art as it is with any of the older forms of advertising.

We buy talent anywhere, just as we buy drawings anywhere. We engage the facilities of the broadcasting stations just as we engage the facilities of the publishers.

The creative work of writing, rehearsing and directing the following evening programs is all ours—with the three exceptions noted below.

- \*Atwater Kent Radio Hour
- General Motors Family Party
- \*\*Soconyland Sketches
- Blackstone Plantation
- Johnson & Johnson Musical Melodrama
- Happy Wonder Bakers
- Atwater Kent Mid-Week Program
- The Armstrong Quakers
- The Raleigh Revue
- The Fuller Brush Man Program
- \*\*\*General Electric Hour

In addition to these evening programs we write, rehearse and direct eight periods of morning broadcasts, and a considerable number of spot programs.

\*John T. Adams, vice-president of the Judson Radio Program Corporation, has been associated with us as a program director on this series since it started in 1925.

\*\*The dialogue of this program is written by Henry Fisk Carlton and William Ford Manley and directed by Gerald Stopp in association with our own program directors.

\*\*\*Placed every other week, alternating with another agency. The National Broadcasting Company builds this program. We write the scripts for the programs every other week.

## BATTEN, BARTON, DURSTINE & OSBORN

INCORPORATED

### ADVERTISING

383 MADISON AVENUE • NEW YORK

CHICAGO, McCormick Building. BOSTON, 10 State Street. BUFFALO, Rand Building. PITTSBURGH, Grant Building. MINNEAPOLIS, 1421-25 Northwestern Bank Building

# Point-of-Contact Training Boosts Chrysler Sales

With radio, electric refrigerators, oil burners and other luxury goods competing for the consumer's dollars, as well as other makes of automobiles, Chrysler realized that more and more a higher type of salesmanship was needed to present their case to the public. How they prepared a salesmen's course and the results they have already obtained from it are described here by the general sales manager.

BY J. W. FRAZER

*General Sales Manager, Chrysler Sales Corporation, Detroit*

THE Chrysler sales course for retail salesmen of Chrysler and Plymouth automobiles, recently introduced, marks what we believe to be the beginning of a new chapter in the history of the world's greatest industry.

Probably the most difficult problem which confronts every manufacturer today is that of obtaining a proper presentation of his product to the ultimate consumer. The problem is exceptionally difficult for the automobile manufacturer because of the nature of his sales set-up.

The Chrysler Sales Corporation does not sell automobiles to the individuals who drive them. It doesn't even sell them to the retail dealers who employ the salesmen who sell them to the ultimate users. It sells exclusively to just a few hundred wholesalers whose sole business is to distribute them.

Obviously, then, we have no direct control over retail salesmen. We do not employ them, train them, supervise them, or compensate them.

And yet we have long given them a great deal of assistance. We have spent millions of dollars in producing a car that people want to buy, at a price they are willing to pay. We spend other millions every year in advertising our product to the public, thus winning consumer acceptance and making it easy for the salesmen to

sell. We provide sales helps in wide variety.

At the factory we maintain a large organization of specialists in sales, advertising and service. In the field we employ a corps of capable wholesale salesmen. Our distributors as a group are representative merchants in their community. Our dealers are nearly all experienced automobile men who have taken on the Chrysler line because they believe in it.

Thus we have trained men all along the line until we reach the last and weak link in the chain between factory and user. It has never been particularly difficult to sell automobiles, because everyone wants to buy. But competition has become greatly intensified in recent years; not only competition between different lines of cars, but also competition between many different lines of goods. The prospect whose greatest ambition a few years ago was to own an automobile now wants to own a radio, oil burner, electric refrigerator, and a host of other modern things also. All these products are being presented to him by trained salesmen. His income is limited, hence if he buys them, he probably will not be able to buy a new car soon.

At the same time these specialties have been attracting more and more competent salesmen. At the very time



J. W. Frazer

when a higher type of automobile salesmen has become more necessary, such men have become more scarce. The dealers were unable to prepare the thorough course of training which their salesmen required to meet the changed conditions.

A year ago last summer we determined to bridge the gap between manufacturer and retail salesman. We would go to the assistance of dealers and their salesmen by making available to them the most thorough, comprehensive and practical course in Chrysler sales training which possibly could be prepared.

As already stated, we have a large organization of specialists in sales, advertising and service. These men all have regular duties, however, and they could not assume the additional task of preparing this course the way we wanted it prepared. Not only so, but no one or a few men, no matter how capable, could have prepared such a course.

We employed the corporation training service of LaSalle Extension University to cooperate with us. We told them what we wanted and how we wanted it. We did not want a

*(Continued on page 226)*



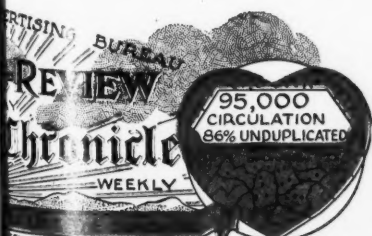
Germ of A Great State."



## "LINCOLN--The 50th State"

With the marvelous maritime region of Puget Sound to the west, with the tremendous resources of industrial Montana to the east, with its own inestimable richness of soil, of mineral deposits, of timber resources, of white power, of an incomparable climate, the already famous Inland Empire (or Spokane Country) is destined to become the center of an even vaster industrial and cultural dominion.

For marketing purposes, therefore, let us call the Spokane Country—Lincoln, The 50th State." And we find, based upon U. S. Government figures and those of nationally recognized marketing authorities, some remarkable and significant facts. Fourteen of these are enumerated in the column at the left, and in the right-hand column are some interesting high lights on a territory which is richest in natural resources of any in the Western Hemisphere.



MEMBER OF THE 100,000 GROUP OF AMERICAN CITIES



Send for  
This 1936-37  
Market Facts  
Book



--And Here is What

## "LINCOLN —The 50th State" (Spokane Country)

**Contributes to a Nation!**

**1/10** of all the Nation's Wheat;

**1/5** of all the Nation's Apples;

**1/3** of all the Nation's Lead;

**1/4** of all the Nation's Silver;

**1/8** of all the Nation's Gold.

Large part of lumber for every 3rd frame house built.

Large part of wool for every 7th woollen garment in the U. S.

Over \$400,000,000 New Wealth Annually;  
Manufactured Products—\$150,000,000

## "LINCOLN—The 50th State" (The Spokane Country)

Has the largest lead-silver mine in America;  
Has the largest body of white pine in the world;  
Has 1-5 of all the Nation's water power resources;  
Has county with largest wheat production in America;  
Sells its famous apples in all markets of the world;  
Is richest territory in natural resources in Western Hemisphere

Has 522 cities towns—64 over 1,000 population.

## SPOKANE, Capital of "LINCOLN— THE 50th STATE"

Is the hub of more railway mileage than any point west of Omaha—5 transcontinental, 12 branch railroads;

Now enjoys full terminal freight rates—hence distributing center for territory with half population of Washington, Oregon, Idaho and Montana.

Is home of the Federal Farm Loan Bank for the Pacific Northwest.

Has branch Twelfth Federal Reserve Bank and Federal Intermediate Credit Bank.

Selected by Armour & Company as logical location for Far Western packing plant;

Is the mining capital of America;

Is one of the most important lumber manufacturing centers in the Far West;

Is retail metropolis for 616,232 consumers—Buying power 35% above average;

Has 7 hydro-electric plants within 30 miles of city;

Has more electric ranges for cooking than any city three times its size in America;

Has lowest percentage of illiteracy of any city over 100,000;

Has admittedly one of America's finest hotels—Davenport;

Has largest publishing plant in Far West

**Climate:** C. S. Stewart (retired) U. S. Weather Bureau:

"You can not place your finger on any spot on the map of the globe which has an all-round healthier climate than Spokane."



COWLES PUBLICATIONS

WASHINGTON FARMER, OREGON FARMER, IDAHO FARMER  
—Over 110,000 Net Paid Circulation, 83% UNDUPLICATED with Any Other Single Farm Paper—In a Field with Farm Buying Power 41% Above the Nation's Average



# What Is a Sound Expansion Policy?

No. 4. How Companies Grow through Diversification.\*

BY JOHN ALLEN MURPHY

**T**HE utilities have been enormous customers of the coal companies, and they still are. But competition is arising between these groups, nevertheless. Development of water power is, of course, enriching the coal industry out of some volume. And now Electric Bond and Share Company is going into the national gas business. It is affiliating with companies already operating on the national gas field. Gas is being piped from the oil fields to several of our large cities. This hurts coal.

It is not surprising, therefore, to



Photo by Blank & Stoller

*Charles D. Bohn is not only a big factor in the automobile business, but also caters to the household. The Bohn company is going in heavily for plumbing supplies.*

find an organization such as Lehigh Coal and Navigation interested in an electric power company. Several years ago Lehigh formed the Lehigh Navigation Electric Company, with the

\*This is the conclusion to the fourth part of Mr. Murphy's series.

intention of thus using the small sizes of coal that it could not market profitably. Afterwards this subsidiary was sold to the Lehigh Power Securities Corporation for cash and stock. A couple of years ago this latter organization was absorbed by the National Power and Light Company. Lehigh turned up owning 12½ per cent of its common shares.

Lehigh is planning on diversifying further by developing some of the water power sites that exist on its extensive land holdings. Because of these holdings and the canal beds which it also owns, Lehigh may some day find itself supplying Philadelphia with its water. That is a typical example of the modern method of dealing with competition—don't fight it; buy into it.

Some manufacturers prefer to diversify in the fields in which they are already operating. Originally Electric Auto-Lite Company had only one product. The company's name explains what it was. A starting system was added. But a two-product house, catering to one market, is not in a very strong position. The company resolved to diversify, but to confine itself largely to the automobile market. For several years Auto-Lite has been adding batteries, lamps and other automotive equipment to its range of goods.

The Cord Corporation has also stuck pretty close to the motor business, although the concern is diversifying on a huge scale. Besides manufacturing the Cord, Auburn and Duesenberg cars, the company makes bodies for other manufacturers and a wide range of engines for trucks, passenger cars and airplanes. Both the aviation and marine fields are being cultivated assiduously. Cord, in addition, owns the Columbia Axle Company and also the Stinson Aircraft Corporation, the largest builder of cabin airplanes.

The DeLaval Separator Company started out as a manufacturer of cream



*E. L. Cord—next to General Motors, Cord, Inc., is the most widely diversified concern in the automotive field.*

separators. It diversified some years ago by entering the manufacture of milking machines. It remained in its first field, but added another product in that field.

Babcock & Wilcox Company has a wide line of products, but they are all rather closely allied to the boiler business. On top of boilers, the company makes superheaters, air preheaters, economizers, mechanical stokers, etc. In recent years it has been diversifying by organizing or buying subsidiary enterprises. For instance, it holds the Fuller Lehigh Company, manufacturer of pulverized fuel burning equipment. Fuller Lehigh Company, by the way, should have been included in our "evolution" examples, as the company entered business initially as a manufacturer of railroad car wheels. It made several other things before it became a Babcock & Wilcox unit. The Bailey Meter Company belongs to B. & W., too. Three-quarters of all the boiler meters in use come from this concern.

Diversification has been on the program of the Budd Wheel Company. It has added brakes to its original wheel business.

J. O. Eaton is doing for the automotive industry what C. S. Eaton is doing for steel. It is his modest ambition to assemble the largest parts business in captivity. This Cleveland capitalist owns the Eaton Axle & Spring Company. With this concern has been combined seven or eight large equipment manufacturers. Eaton

(Continued on page 234)



**B**ACK in the times when the sea was an unknown quantity, the course ahead held an ever-present threat. Black nights on turbulent waters made men prize even those inaccurate charts then available.

Perhaps that's why in these better organized days men still look for safe and sure methods, even in choosing bond papers.

And why not? Many a bond paper printing job comes limping into port after its cruise over the presses—a problem of sink or salvage, both dangerous and costly.

Printers know Caslon Bond as the economical paper which delivers on any voyage. They recommend its use because they have found it a safe chart through all of the reefs in bond printing.

Strategic reasons explain this quality. A mill close to a mammoth spruce supply, on a pure body of water, operating a large production under laboratory control—these simple economic facts give Caslon Bond its value.

To establish a safe standard for your letterheads and business forms, test Caslon Bond. Secure sample sheets of the white and twelve beautiful colors from your printer or paper merchant. It is watermarked to insure value, and comes in all weights and sizes. Why not find out for yourself? The book "Hidden Gold in the Bond Field" shows you what to look for in bond papers. Write for a copy.



THE MUNISING PAPER COMPANY, MUNISING, MICHIGAN

*Manufacturers of* ~ CASLON BOND ~

**Falk — A Good Name in Industry!**



**Falk Heavy Units Combine Massiveness, Strength and Precision**

High mechanical efficiency, under constant heavy duty, has made the Falk heavy units famous for their dependable performance. Falk Heavy Units are simple and compact, exceptionally designed to meet the requirements of the modern industrial plant. Falk Heavy Units are available in capacities as low as 100 H.P. to 10,000 H.P. They are available in the largest greatest sizes.

**FALK**

**HERRINGBONE GEAR UNITS.**

Showing the product in a powerful illustration and talking about it sparsely but intelligently won third place for Falk among the inserts.

**Silver foxes sail to sea**



These silver foxes sail to sea... The Equitable Trust Company of New York.

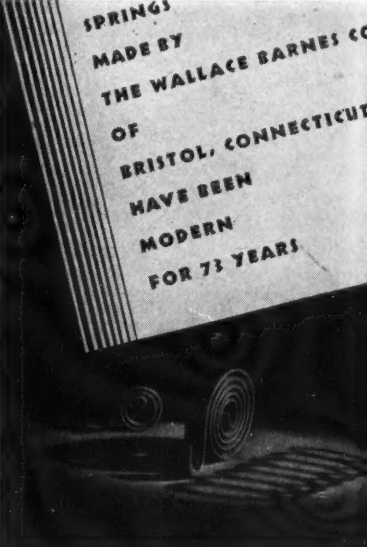
**THE EQUITABLE TRUST COMPANY OF NEW YORK**

Foreign Department

Branches in London, Paris, Lyons, Madrid, Barcelona, Rome, Milan, Naples, Genoa, Turin, Venice, Trieste, Vienna, Prague, Budapest, Berlin, Hamburg, Frankfurt, Cologne, Amsterdam, Antwerp, Brussels, Luxembourg, Geneva, Zurich, Bern, Basel, Lucerne, Lausanne, Neuchâtel, Montreux, Yverdon, Fribourg, Schaffhausen, Appenzel A. & S., Appenzel E. & S., St. Gallen, Thurgau, Graubünden, Valais, Fribourg, Neuchâtel, Vaud, Val de Saône, Jura, Canton de Vaud, Canton de Fribourg, Canton de Neuchâtel, Canton de Valais, Canton de Vaud, Canton de Fribourg, Canton de Neuchâtel, Canton de Valais.

"Travel Lure" copy and illustration gives lustre to so stodgy a subject as banking facilities, in this Equitable Trust Company advertising, which was voted second best of the pages.

**SPRINGS MADE BY THE WALLACE BARNES CO. OF BRISTOL, CONNECTICUT HAVE BEEN MODERN FOR 73 YEARS**



This Wallace Barnes Company advertisement is an excellent example of modernism. It was sufficiently effective to put it in second place in the insert group.

## Sales Management Gallery

SALES MANAGEMENT reproduces this gallery because it shows the variety of appeal effective with a highly trained, technical audience, the iron and steel industry. *The Iron Age* asked ninety-two industrial advertisers to vote on the six best advertisements in its March issue. The winners are shown here.

**LAMSON service... is now greater than ever!**



**LAMSON & SESSIONS CO.**

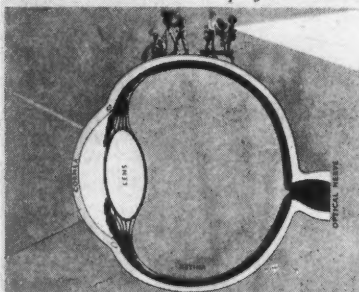
CLEVELAND, OHIO

Plants at Cleveland and Kent, Ohio; Chicago and Birmingham.

This Lamson & Session advertisement made us sit bolt upright. It says a lot about a product hard to make interesting, and won first place among the pages.

**YOUR EYES**

are like a movie camera and projector combined



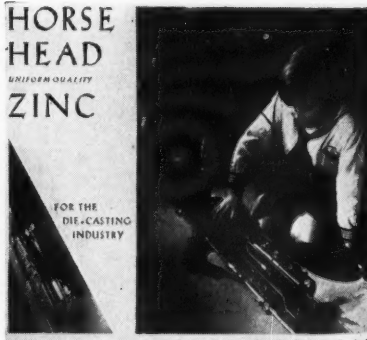
**GENERAL ELECTRIC VAPOR LAMP COMPANY**

Formerly General Electric Company

Eye appeal in more ways than one—in this G. E. advertisement. Also a clear simile that is informative, put this as first among the inserts.

**HORSE HEAD ZINC**

UNIFORM QUALITY



**FOR THE DIE-CASTING INDUSTRY**

**THE NEW JERSEY ZINC COMPANY**

100 FRONT STREET, NEW YORK CITY

The New Jersey Zinc Company dresses up a raw material with a human interest appeal which undoubtedly placed it in third place for pages.



"This (the 1929 Markets and Media Reference Number) has proven to be the most valuable source of information on many subjects which we have been able to obtain... You are to be congratulated on the excellence of this publication."

From a letter dated January 31, 1930, signed by J. W. Desbecker, Advertising Manager, Eberhard Faber Pencil Company.

The 1930 Sales Management Reference Number will be published September 27.

## Sales Managers' Association

# NEWS

Beginning with this issue, this department will appear often in SALES MANAGEMENT. Believing that the various associations of sales executives will find the activities of clubs all over the country of considerable interest, club presidents are requested to send reports of meetings and other news to this magazine regularly.

### Roy Mock Addresses St. Louis Group

TWO unusually interesting addresses were delivered at the April 18 and April 25 meetings of the Sales Managers' Bureau of the St. Louis Chamber of Commerce by Roy D. Mock, sales manager, The Hanson Scale Company, and H. T. Bussmann, vice-president, Bussmann Manufacturing Company. Mr. Hanson spoke on "Barehanded Sales Management." Mr. Bussmann's topic was "Making Sales Talks Convincing."

Excerpts from Mr. Mock's talk are printed below:

"There are four major barriers which keep a product from its market. These are competition, the belief in fixed volume, the various diseases of salesmen and the mental attitude of the sales manager himself.

"Often a manufacturer will find a barrier in the attitude of certain distributors in a section of the country. We had a case where we couldn't get a jobber to handle our goods, we were blocked out of that territory. What we did was to put on a campaign to all retail dealers in that section and we soon had the jobbers in line.

"Occasionally you will find that dealers form your competition. They won't handle your goods. What will you do? Get out of town? I think the attitude of the sales manager who must treat things in a barehanded way would be to get business regardless of the attitude of the dealers. We had one town where the dealers had banded themselves together to handle certain makes of merchandise and excluded us. The situation seemed serious. I made arrangements with a canvassing organization to ring every doorbell. In two months we sold 1,000 bathroom scales in that town and we checked up on the dealers and they had sold thirty-six. Then they came to terms. We now have a fine business in that city.

"Occasionally you will find an entire line of trade seems to be against you. A friend of mine in Chicago has

a product, a can opener, which would be sold through the hardware stores; he wanted a market. The hardware trade wouldn't look at it. He didn't lay down, he sold through drug stores. Now he is doing an excellent business.

"Sometimes you will find that the competitive influences are hidden. In one department store we were trying to sell a \$15 bathroom scale. The clerks couldn't sell them. I found the reason. They were only getting \$14 a week and they couldn't conceive of anyone paying \$15 for one item. But by cooperation we got the scales across.

"We put out demonstrators who go into the department stores for two weeks. That isn't our purpose, though the clerks think we are there simply to demonstrate our article. Our purpose is to have them get acquainted with the help in the store and get them interested in our merchandise and show them how to sell it. They create a lot of good will and then move on to the next place. So much for competition.

"The second barrier I classify as belief in a fixed volume. A great many salesmen don't increase their business in the territory because it never has been increased. They figure the territory is good for \$25,000 or \$30,000 a year. A great many dealers have this attitude. But if there is any virtue in salesmanship we ought to be able to run above those figures each year. I think a great many of us are too much afraid of overloading dealers. We have too much sympathy with the dealers. Sometimes I think we ought to crowd on all the merchandise we can pile on and then sit back and watch them dig themselves out. They will do it, too, and while doing it they will be selling your goods, not somebody else's.

"Third barrier is the diseases of salesmen. I will mention three of these maladies. The first is disinclination to work. I don't mean laziness, I mean lack of interest. Every effort should be made to stimulate the interest of the salesman. Many of them

are at considerable distance from the main office, out in the woods somewhere where they are rather hopeless. Get up sales contests or offer prizes if you like. It isn't necessary to offer prizes if you don't want to. We had an excellent contest in which all our salesmen started as buck privates and went on up the line to colonels. We had no prizes.

*(Continued on page 235)*

### Philadelphians Hear Frigidaire Executive

In an address before the April meeting of the Sales Managers' Club of Philadelphia, R. L. Lee of the Frigidaire Corporation showed some of the ways in which the scientific methods used in production can be applied to sales management.

Mr. Lee, who now holds a sales executive position with Frigidaire, began his business career as an engineer and has brought into his sales management the engineering procedure of working from known facts only. He pointed out that this method necessitates a different type of thinking on the part of the sales department. One of the first requisites in "engineered" sales management, he said, is the accumulation of definite facts from which to work.

Taking as an example a factory manager who wished to increase his machinery by several punch presses, he pointed out the positive figures the factory manager would require as a contrast to the "hunches" and "factless opinions" on which many sales executives base decisions. The "sales wand" and "mystifying methods" by which the average sales executive causes his policies to be accepted by his subordinates, are closely akin to the "secret processes" which permitted the old-time factory manager to maintain his position.

"There are no more unknown factors in the manufacturing of sales than in the manufacturing of products," declared Mr. Lee. "Regardless of the product or of the organization,

*(Continued on page 235)*



# Kelvinator Doubles Dealer Tieup Copy; Has Record Sales

Dealer cooperative advertising of the Kelvinator Corporation, refrigerators, Detroit, has been increased about 100 per cent this year, Earl Lines, advertising manager, told SALES MANAGEMENT this week. Space being taken in posters has been increased three times and the appropriation for newspapers and direct mail has been about doubled, Mr. Lines said. The magazine and radio programs also are larger.

The additional advertising, he explained, is the result of a demand which made the first quarter of this year the best in the company's history. Distributor and dealer orders are about twice as large as in 1929. The commercial and apartment house business also is larger. "Because dealer stocks are lower," Mr. Lines continued, "a continued heavy demand is now shown in daily order and shipments, and the same is expected to continue for several weeks."

At a luncheon meeting to advertising managers of newspapers and business papers in New York last week, J. S. Sayre, sales manager of Kelvinator, announced the increase in appropriation and invited solicitations from each of the publications represented.

## Macfarlane of the Tribune Heads A. N. P. A. Bureau

W. E. Macfarlane, business manager of the Chicago *Tribune*, and Edwin S. Friendly, business manager of the New York *Sun*, were elected last week as chairman and vice-chairman, respectively, of the committee in charge of the Bureau of Advertising of the American Newspaper Publishers' Association.

Other members are: Charles D. Atkinson, *Atlanta Journal*; Don U. Bridge, *Indianapolis News*; Frank H. Burgess, *La Crosse Tribune*; Harry Chandler, *Los Angeles Times*; William G. Chandler, *Scripps-Howard Newspapers*; William J. Hofmann, *Portland Oregonian*; F. I. Ker, *Hamilton Spectator*; Col. Frank Knox, *Hearst Newspapers*; Fleming Newbold, *Washington Star*; David B. Plum, *Troy Record*; William F. Rogers, *Boston Transcript*; A. L. Shuman, *Fort Worth Star-Telegram*; Walter A. Strong, *Chicago Daily News*; S. E. Thomason, *Tampa Tribune*; Frank E. Tripp, *Gannett Newspapers* and Louis Wiley, *New York Times*.

PATRONS ARE REQUESTED TO FAVOR THE COMPANY BY CRITICISM AND SUGGESTION CONCERNING ITS SERVICE

**CLASS OF SERVICE**

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable sign above or preceding the address.

# WESTERN UNION

NEWCOMB CARLTON, PRESIDENT      J. C. WILLEVER, FIRST VICE-PRESIDENT

**SIGNS**

DL = Day Letter  
NM = Night Message  
NL = Night Letter  
LCO = Deferred Cable  
NLT = Cable Night Letter  
WLT = Week-End Letter

The filing time as shown in the date line on full-rate telegrams and day letters, and the time of receipt at destination as shown on all messages, is STANDARD TIME.

**Received at 40 Broad Street, (Central Cable Office), New York, N. Y. ALWAYS OPEN**

CUBS 22 NM CHICAGO ILL 29

LAWRENCE M HUGHES NEWS EDITOR SALES MANAGEMENT

NEW YORK NY

BUDGET FIGURES NOT AVAILABLE FOR SEPARATE MEDIUMS ALTHOUGH WE BELIEVE

QUARTERLY SALES REPORT REFLECT JUSTIFICATION FOR MILLION DOLLAR

INCREASE IN NINETEEN THIRTY

WM WRIGLEY JR CO

THE QUICKEST, SUREST AND SAFEST WAY TO SEND MONEY IS BY TELEGRAPH OR CABLE

## Wrigley Budget Up \$1,000,000; Sales and Earnings at High Mark

William Wrigley, Jr., Company, of Chicago, announced to this magazine this week a probable increase of \$1,000,000 in its advertising for 1930. The appropriation may exceed \$4,300,000.

Wrigley expects a considerable in-

crease in both sales and earnings this year—the earnings of 1929 having totaled \$11,608,708. Advertising expenditures by this company since 1910 have been estimated at an aggregate of nearly \$70,000,000.

Philip K. Wrigley is now president.

## 8,000 Truck Loads Move Field into New Home

Work of transferring 8,000 truck loads of merchandise from the wholesale house of Marshall Field & Company, and ten outlying warehouses in Chicago to its new quarters in the giant Merchandise Mart building began this week.

Marshall Field will occupy more than 1,000,000 square feet—a quarter of the floor space in the building which covers nearly 100 acres and is the largest in the world.

Built into it are many miles of pneumatic tubes, hoists, chutes, conveyors and mechanical packing devices.

"If we tried to move our entire stock at one time it would require a motorized caravan thirty-five miles long," an official of the company said.

The old Marshall Field wholesale house has been in use since 1887.

## Stehli Bureau Fills Orders in 20 Minutes

The Garment Service Bureau, established by the Stehli-Silks Corporation, of 200 Madison Avenue, to expedite its service to the garment trade, opened this week at 530 Seventh Avenue, New York City. It will give twenty-minute service on orders in the garment district, and will contain 30,000 samples of silk arranged in racks on the wall, much as tickets are classified in a consolidated booking bureau. These samples will represent 30,000 colors, including every different dye lot of every shade and quality.

## Thompson Opens in Far East

Two trans-Pacific offices have just been opened by the J. Walter Thompson Company, advertising agency, at Batavia, Java in the Dutch East Indies, with Dr. Willem Nyland as manager and at Wellington, New Zealand, under M. L. Stiver. Mr. Stiver went to Wellington from the New York headquarters.

Huber Hoge, Inc., New York advertising counsel, has moved to the Lincoln Building, 60 East Forty-second Street.

## Chain Association Backs Methods; Finds Stores Aid Communities

Formal reply to charges of independent retailers and their political proponents that "chain stores send money out of town"; that chain stores do not pay local taxes nor support local charities; that their standards of merchandise are lower; that they cheat in weights and sizes; refuse to carry popular brands, pay lower wages, discriminate against local employees and employ coercion and monopoly, was made for the first time this week by the National Chain Store Association, New York, through R. W. Lyons, its executive vice-president.

The association comprises virtually all chain store companies in the United States.

The charges Mr. Lyons characterized as "wild, unreasoning, unfair and superficial." They originate in almost every case, he said, with an individual or an organization with selfish motives.

"Do chain stores send money out of town? Certainly they do," he said. "All stores, even the post office, telegraph office, railroad office, insurance office and the bank must necessarily keep money flowing out of town, and goods and services coming in. Prosperity is built upon the increasing exchange of goods, services and money between towns and cities—and not solely upon interchange of products and services within the community."

Mr. Lyons cites figures as to what happens to the consumer dollar spent in an important national drug chain—the L. K. Liggett Company:

Sixty-five million of the company's total volume of approximately \$100,000,000 goes to manufacturers; \$12,000,000 to local payroll; \$9,000,000, local rent; \$9,000,000 light, heat and other "overhead" expenses; \$5,000,000 for profit, "distributed to stockholders in all parts of the country." Liggett, incidentally, spends about 2 per cent in advertising, or about \$2,000,000.

The proportion of a "middle western chain grocery company," Mr. Lyons mentioned (Kroger), is about the same. Of Kroger's \$286,000,000 last year, 77 1/4 per cent went to manufacturers; 12 per cent for local payroll; 2 1/8 per cent; 3/8 per cent for taxes; 7/8 per cent, local repairs and depreciation; 3/4 per cent, advertising; 4 1/8 per cent, local expenses—community chest, light, power and various supplies; 2 1/4 per cent profits, out of which stockholders' dividends are paid.



R. W. Lyons, executive vice-president, National Chain Store Association.

These percentages do not mention charges for headquarters' operation, which are divided pro rata, in accordance with volume among the various units.

A. & P., the largest chain, Mr. Lyons explained, takes only 2.49 per cent in profit.

"A small amount—2 1/4 per cent, 2 1/2 or 5 per cent—is all that chains take from the community. On the other hand, lower prices of chain stores, offering savings of from one to twenty cents, or more on every dollar spent, outbalance by far this 'outgo.'"

In advertising, officials of the association told SALES MANAGEMENT, the appropriation in proportion to total sales is smaller in grocery chains than in the others—averaging between one-half of 1 per cent to 3 per cent. The drug chains average about 2 per cent, department store chains 2 to 5, and shoes 2 to 5 and even higher.

Mr. Lyons pointed out that chain stores pay taxes equivalent to other stores in the same line, and that they contribute to funds after "investigation proves them worthy." They "look upon the community chest as a means of scientific giving, and the majority of the association's members have joined chambers of commerce in all towns where they have stores.

"The misstatement that chain stores sell smaller-sized packages than independents," he continued, "grew out of changes in weight or size the

manufacturers made without making announcement to the public. Manufacturers of all nationally known products have certified that they do not make different size packages for chain stores."

With reference to advertised brands, Mr. Lyons said that "nothing could be further from the truth than the statement that chain stores sell popular brands at a loss. As a matter of fact, highly advertised goods and certain staples in the grocery line like sugar, flour, potatoes and butter, are keenly competitive and carry comparatively little margin of gross profit. The advantage the chain store is able to offer to the consumer on this type of merchandise is comparatively small. On the other hand, since the less-known merchandise has always been sold at long profits by the old regime of distribution—both wholesaler and retailer—the chain stores are able to, and do, offer their greatest advantages in just this particular line. This includes coffee, teas, cereals, dried fruits and canned goods."

As a result of the present agitation against chain stores, particularly in the middle west, SALES MANAGEMENT has learned, several chains are giving increased emphasis to advertised brands. In Grand Rapids, Michigan, one of the largest chains pushed advertised brands while its leading competitor continued to emphasize its own. The sales of the second chain fell off materially.

Mr. Lyons said that chain store wages, hours and employee morale compare favorably with those of independents, and that the chains employed all their help locally, "unless the position requires a man or woman of long experience."

The chains, in spite of their rapid growth, he concluded, cannot dominate—nor even coerce. "There are 6,000 separate chain store systems in the United States. They do only 15 per cent of the retail business of the country."

### Henderson Will Extend "Chain" Broadcasts

W. K. Henderson, whose radio broadcasts from Shreveport, Louisiana, have caused some consternation among chain store organizations in the Middle West and South, is planning to extend his activities. Refused time by both the National and Columbia Broadcasting companies, he is now developing a radio "chain" of his own, which will include twenty-eight smaller stations throughout the Middle West. Record reproduction will probably be used. Most of Mr. Henderson's operations have been in the Mississippi Valley.



## Gossip

SCHUYLER KUDNER, formerly Western advertising manager of *College Humor*, has been promoted to advertising manager, with headquarters in New York. . . .

ROBERT MARK GRAY, of the R. F. Walker Advertising Agency, Chicago; ROGER C. McDONALD, art director for Fuller & Smith, Cleveland; and J. M. JOUNG, II, have joined Batten, Barton, Durstine & Osborn Corporation, Chicago—Mr. McDonald as art director; Mr. Gray and Mr. JounG as account representatives. . . .

GEORGE HARRISON PHELPS, president of George Harrison Phelps, Inc., Detroit agency, has been appointed a special commissioner of the Department of Labor to investigate European wage systems. . . .

F. E. DEWOLFE has resigned as space buyer of Klau-Van Pietersom-Dunlap-Younggreen, Inc., advertising agency of Milwaukee. . . . A. K. BENJAMIN, formerly sales promotion manager of Eaton, Crane & Pike, stationery manufacturer, and more recently with the George H. Ellis Company, Boston, will be in charge of a new Boston office of Charles Austin Bates, Inc., New York. . . .

ROSE ALBERT PORTER has joined the service department of Jordan Advertising Abroad, Inc., New York. She had been with the H. K. McCann Company of Berlin and more recently publicity director of Helena Rubenstein, Inc. . . .

T. H. PARKER, until recently with H. C. Wilson Associates, Hartford, Connecticut, is now on the service staff of Dickie-Raymond, Boston. . . . HENRY W. PATTERSON, author and free lance writer, has joined Harold Cabot & Company, Boston agency. . . .

JAMES C. GRANT, formerly with the United States Advertising Agency, Toledo, and the Roche Advertising Agency, Chicago, has joined Rogers-Gano Advertising Agency, Chicago, as an account executive. . . .

PAUL K. NIVEN, recently sales promotion manager of the Tolman-University Press, and at one time sales promotion and advertising manager of the Dot Lubrication Division of the Carr Fastener Company, Cambridge, is now with Walter B. Snow & Staff, Inc., Boston agency. . . .

Irwin Jordan Rose Company, Inc., has become affiliated with W. I. Tracy, Inc.—STANLEY H. ROSE, its president, acting in the capacity of account executive. . . .

PAUL H. FASSNACHT, president of Rudolph Mosse, Inc., New York, sailed recently for Europe. In the next five months he will visit many of the agency's forty-seven branches in Europe, South America and other parts of the world. . . .

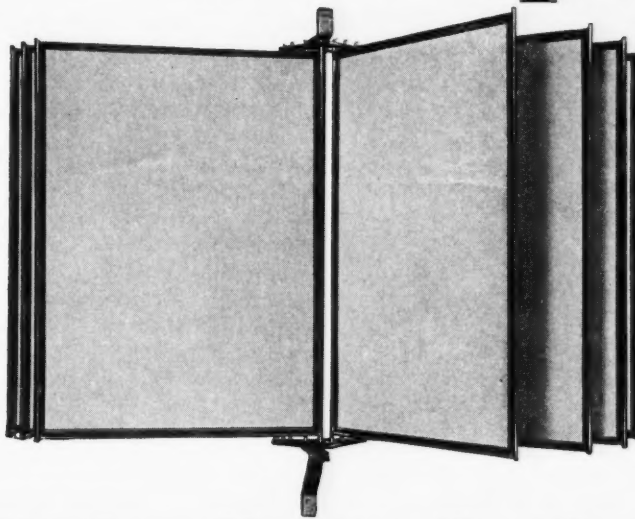
ROBERT A. WARFEL, an executive of the direct mail division of the Reuben H. Donnelly Corporation, Chicago, has been visiting the company's New York office for the past week. Mr. Warfel is a former executive secretary of the Advertising Commission. . . .

A. L. ADAMS, for ten years director of the Merchandising Division of William A. Green Corporation, New York, has joined Rogers-Kellogg-Stillson Company, printers and direct mail house there, in a similar position. . . .

DANIEL C. WHITTEMORE is now a member of the advertising staff of the *American Agriculturist*, New York. . . .

GEORGE MACGOVERN has left the National Broadcasting Company to become manager of a new radio department of the Elgin National Watch Company, Chicago.

## Use a Multiplex

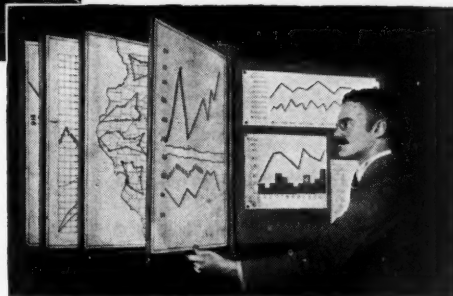


### to display Charts, Graphs and Blueprints



The value of charts and graphs lies entirely in their being available for quick, easy reference. This Multiplex installation, in the office of a large financial concern, keeps executives informed on market trends and financial situations.

Production records, inventories, sales curves and all types of tabulations can be reduced to charts, forming a graphic picture of one's business that saves the time of busy executives. Note the accessibility of charts kept on a Multiplex. They stay fresh and clean and are available at the touch of a finger.



Multiplex Swinging Wing Fixtures are like large loose-leaf books standing in a vertical position. The wings, or leaves, can be removed or interchanged and both sides are available for display purposes. Any number of wings can be furnished for various types of main frames. For full particulars, prices and catalog, clip the coupon below and mail.

MULTIPLEX DISPLAY FIXTURE COMPANY  
925-935 N. Tenth Street, St. Louis, Mo.

Please send me your catalog and price-list of Multiplex Fixtures for displaying charts and graphs.

**MULTIPLEX**

Name .....

Firm .....

Address .....

City ..... State .....

012

## Vesta Battery Adopts New Profit-Sharing Plan for Dealers

Simplification of line and emphasis on products which provide a greater margin of profit has just been effected by Vesta Battery Corporation, Chicago.

The new line is intended to enable dealers to turn over stocks more rapidly, and with a smaller initial investment. Slower moving items have been eliminated and more emphasis placed on the higher grade batteries, where the profit margin, and the degree of service to the user, also is higher.

"During the last few years the average battery dealer has been trying to make a profit by pushing cheaper products," A. H. Townsend, sales manager, explained to SALES MANAGEMENT. "He has been thinking almost wholly in terms of price." Our new program is somewhat of an educational nature—attempting to show the dealer that in order to make profits he must sell each item on a reasonable margin.

"We do not look for a wide extension of our dealer organization, as a result of this policy," Mr. Townsend added. He believed, however, that the company's business would be better this year by making their present dealers better merchandisers.

With a gross profit of \$2.20 on a certain battery, the Vesta company figures overhead at \$2—allowing the dealer 20 cents, or about 10 per cent, in net profit on each. With the higher-priced lines the margin is even greater.

## Bryant Electric Appoints Eames General Manager

Bryant Electric Company, Bridgeport, has appointed Robert M. Eames general manager.

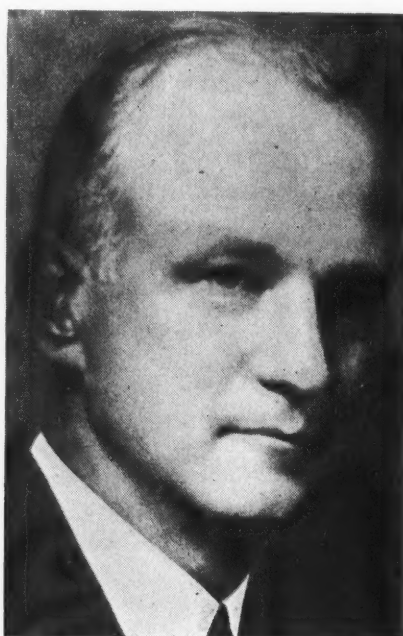
Mr. Eames previously was export and more recently general sales manager. He was president of the Export Managers' Club at Bridgeport and has been actively connected with Export Clubs of Boston and New York.

## Heads Wachusett Sales

J. K. Macneill will join May 15 the Wachusett Shirt Company, Leominster, Massachusetts, as sales and advertising manager. He is at present sales manager of Hewes & Potter, Inc., manufacturer of the Spur Tie, Boston.

## Joins Montgomery Ward

W. F. Browning, who has been buyer and department manager with Eiebold Stores, Inc., has been appointed divisional sales manager of the hosiery department, Montgomery Ward & Company, Chicago.



*Bruce G. Leighton, newly appointed vice-president in charge of sales, Wright Aeronautical Corporation.*

## Leighton to Direct Sales for Wright Aeronautical

Bruce G. Leighton has been appointed vice-president in charge of sales and a member of the board of directors of the Wright Aeronautical Corporation, New York. He was formerly director of sales and service there.

## Utica and New York Agencies Combine

Three advertising agencies—Moser & Cotins, Utica, Picard, Bradner & Brown, Inc., and Lyon Advertising Agency, Inc., New York City—merged this week as Moser & Cotins, Brown & Lyon, Inc. The officers are Theodore E. Moser, president; Arthur S. Cotins, vice-president and treasurer; Lee D. Brown, vice-president; and James B. Lyon, vice-president and secretary.

The two New York City agencies will combine offices in the Graybar Building, under Messrs. Brown and Lyon. Moser & Cotins will be continued as the Utica branch.

## Russell to Supervise White Truck Sales

George F. Russell has been appointed sales manager of the White Company, truck and bus manufacturer, Cleveland. He will continue for the present as vice-president of the central region.

Mr. Russell joined the company as assistant manager of Western sales in 1914.

## Salmon Canners Seek \$1,000,000 Fund for Advertising

A fund of \$1,000,000 for a three-year national advertising campaign is now being raised by the Northwest Salmon Canners' Association.

The association has taken headquarters in the Pioneer Building, Seattle, and A. A. Wittig, president, has appointed a committee to supervise the raising of the fund and the campaign.

Five species of salmon from North Pacific waters will be advertised, no reference being made to specific brands, Mr. Wittig told SALES MANAGEMENT. Efforts will be made to increase the sale of pink salmon on a scale commensurate with the red or sockeye.

Canners of Washington, Oregon, British Columbia and Alaska, representing an annual pack of 4,000,000 cases, are cooperating.

## Ford Motors Increases Discounts to Dealers

Ford Motor Company announced this week increases in dealer discounts from a straight 17½ per cent, to a graduated scale ranging from 17½ to 21 per cent.

The discount remains at 17½ per cent to dealers that sell up to fifty cars a year. Dealers selling fifty-one to 100 cars get 18 per cent; 101 to 150 cars, 19 per cent; 151 to 500 cars, 20 per cent; and more than 500 cars 21 per cent.

The Ford discount was lowered from 20 to 17½ per cent last November when the price of the 1929 Model A was reduced. It caused some dissatisfaction in the dealer organization.



*George F. Russell, sales manager, the White Company.*



## Account Changes

GREAT ATLANTIC & PACIFIC TEA COMPANY, New York, Mayfair Tea account, to James F. Newcomb, Inc., there.

TEA ASSOCIATION OF THE UNITED STATES OF AMERICA, New York, to Redfield-Coupe, Inc., there. Radio broadcasting and illustrated booklets.

HORLICK'S MALTED MILK CORPORATION, Racine, Wisconsin, to Glen Buck Company, Chicago.

MULTIBESTOS COMPANY, Walpole, Massachusetts, brake linings and other automotive products, to Badger & Browning, Inc., Boston.

TERRITORIAL HOTELS COMPANY, LTD., Honolulu, to the Wales Advertising Company, Inc., New York City.

OPCO COMPANY, INC., Buffalo, upper-cylinder lubricants, to Howland, Oliphant & McIntyre, Inc., there.

PILOT RADIO & TUBE COMPANY, Brooklyn and Lawrence, Massachusetts, to the Arthur Rosenberg Company, New York City. Newspapers and radio magazines.

ELDRIDGE-McINNIS, INC., Boston, naval architects and yacht brokers, to the Porter Corporation there. Class publications and newspapers.

AMERICAN TANK COMPANY, Oklahoma City, oil separators, field tanks, etc., to the Bott Advertising Agency, Little Rock. Trade papers in the oil fields.

ARROL COMPANY, INC., Chatham, New Jersey, chemists, to Howland, Oliphant & McIntyre, Inc., Buffalo.

KNAPP ELECTRIC, toy division of P. R. Mallory & Company, New York City, to Churchill-Hall, Inc., there.

HOWLETT-DAVIS COMPANY, INC., Newark, 3 Wonders carbon remover and Atomizene fluid, and THE COAL CARBURETOR COMPANY, New Brunswick, New Jersey, Coal Carburetor, a coal-saving device, to Wilson & Bristol, Inc., New York.

GRIFFIN MANUFACTURING COMPANY, New York, shoe polishes and cleaners, to Cleveland & Shaw, Inc., there.

PERMUTIT COMPANY, New York, water rectification, to J. Walter Thompson Company.

BRUNSWICK-BALKE-COLLENDER COMPANY, Chicago,—Panatrope, radio and record division—to Blaine-Thompson Company, New York. Blaine-Thompson has also taken over the accounts which have been handled by Capehart-Carey Corporation, New York agency. The musical division of Brunswick-Balke-Collender was recently acquired by Warner Brothers, motion picture company, New York.

## New England's Second Largest Market

# 128,158

was the average net paid

circulation of

## The Providence Journal

and

## The Evening Bulletin

for the six months ending March 31, 1930. This is a net gain of 4,762 copies per day over the corresponding period ending March 31, 1929.

These newspapers have never given a premium to a single subscriber. Their circulation is greater than that of all other English language dailies in Rhode Island combined.

Space in these newspapers may be bought separately, or optional combination at a decided saving.

## Providence Journal Company

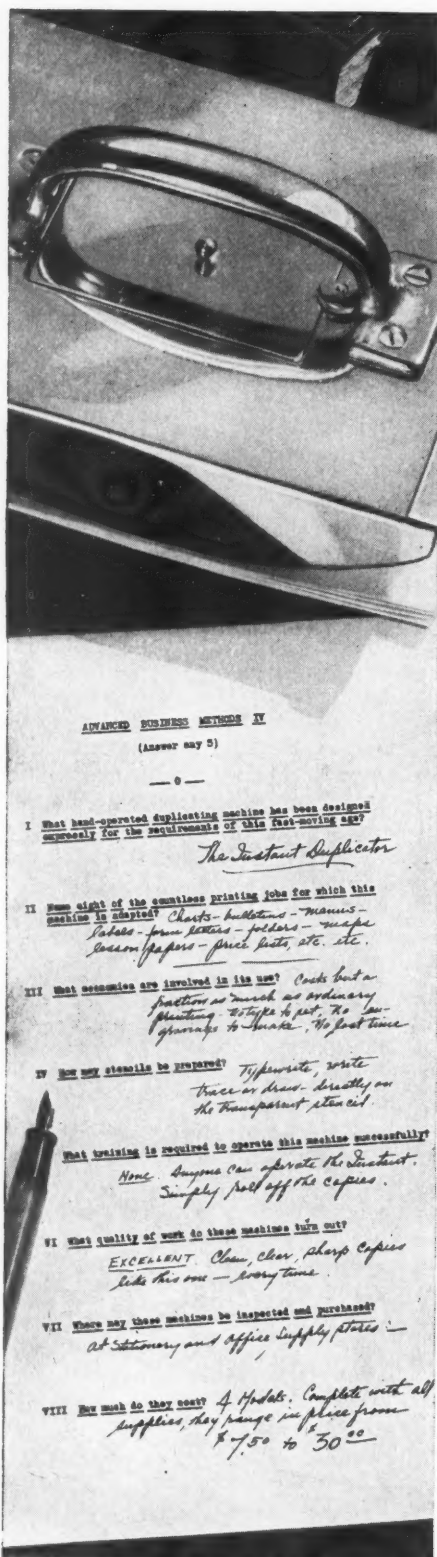
Providence, R. I.

Representatives

CHAS. H. EDDY CO.

R. J. BIDWELL CO.

Boston - New York - Chicago. — San Francisco - Los Angeles - Seattle.



## INSTANT DUPLICATOR

If your dealer cannot supply you,  
write for further information.

**SAFE GUARD CORPORATION**  
Lansdale Pennsylvania

119 Nassau St.  
New York City

Branch Offices:  
435 Chestnut St. Phila., Pa.  
510 N. Dearborn St. Chicago

## Point-of-Contact Training Boosts Chrysler Sales

(Continued from page 212)

general course in salesmanship; we wanted a thorough, comprehensive, and, above all, practical course in Chrysler salesmanship.

They spent about five months in gathering actual experience in the field before a word of the course was written. They sold Chrysler cars, they posed as buyers, they interviewed Chrysler owners to find why those owners bought Chrysler cars, they interviewed owners of other makes of cars to find why they did not buy Chryslers, they studied the training methods then being employed, and they interviewed hundreds of successful Chrysler salesmen to find the principles underlying their success.

Then the texts were prepared, one at a time, criticized and revised, some of them being almost entirely rewritten several times.

### Pre-eminently Practical

The result is a sales training course from which any salesman can learn more about selling Chrysler and Plymouth cars in a few weeks than he could learn from practical experience in a lifetime. He won't be confused by a lot of theory about how to interpret the shape of a prospect's head or the angles of his jaw, either; the course is pre-eminently practical and it tells specifically how to sell Chrysler and Plymouth automobiles.

Many of our distributors and some of our factory executives who were at first inclined to scoff are now the most enthusiastic in their praise of the course.

There are ten textbooks in the course, each being a neat, cloth-bound, illustrated book of a hundred or more pages, prepared to withstand long and hard usage.

Volume 1 begins with the salesman himself. Without going into psychological generalities, it discusses the successful salesman's attitude, habits, appearance and behavior as revealed by an actual nation-wide investigation among successful Chrysler salesmen.

The second volume presents numerous examples of people who have bought cars and analyzes their reasons for buying them, with particular reference to why they chose Chryslers; the importance of knowing one's prospect and how to get the necessary information about him is also covered.

The principles of buying, rather than of selling, are emphasized in one

section of Volume 3, and another section groups the special values of the car and tells how to capitalize on them.

The material of the preceding text is reviewed, then converted into a definite sales presentation in Volume 4.

Prospects, sources of leads, how to get leads, how to turn them into prospects, and how to approach prospects are covered in Volume 5; and Volume 6 tells exactly how to give a demonstration, where to go, how to get there, which way to return, what to do and say in the meantime, etc.

Volume 7 is based on the assumption that the prospect has been sold on the individual features of the car and tells how to sell the whole car as a unit, setting forth a plan of procedure in which questions and decisions are thoroughly analyzed.

The vital subject of trade-ins, with special emphasis on selling the new car, rather than buying the used one, are treated in the eighth volume. How to close the sale in a simple, logical way by preparing the way beforehand is covered in Volume 9.

Volume 10 is a general resume, with some additional matter on organization of one's work, saving of time, and routine practice.

### Problems Criticized

Each text is accompanied by a sheet of practice problems. The salesman fills these out and returns his paper to the university, where instructors criticize it and return it to him with their comments.

On completing the entire course, salesmen are given an examination, and, if they make a satisfactory grade, are awarded a certificate.

It was originally expected that salesmen would complete one text every two weeks, but in practice we have found it advisable to allow them somewhat more time.

The course was first introduced at the automobile shows in January, 1929. There we had exhibits of various kinds, including one of this course, and we took care to acquaint all the distributors and dealers in attendance with it. Later we circularized them with letters and descriptive literature.

It has been well received and we already have abundant proof of its effectiveness. By no means all the



8,000 Chrysler salesmen in the country have enrolled yet, of course, but a fair percentage of them have and they are making gratifying progress. Approximately 60 per cent of all who have enrolled have sent in all their papers to date, and anyone who is at all familiar with the usual performance of students under such circumstances will readily appreciate that this is splendid and indicates that the salesmen are taking a genuine interest in the course.

At least 80 per cent of all who are taking the course have already shown marked improvement and we have received hundreds of letters with reports of actual sales made as a direct result of knowledge the salesman had gained from this course. There are many testimonials to the effect that a certain one of the books is worth the price of the whole course, and so on.

In a recent national sales contest over 58 per cent of the winners were salesmen who were enrolled in this course.

Perhaps the best indication of its effectiveness, however, is the fact that we are already considering a similar course for the other Chrysler divisions.

It is likely that we shall make some further use of the plan, also. Nothing has been decided upon yet, but it is readily conceivable that a dealer might use this course as an inducement to men in other lines to become Chrysler salesmen, perhaps adding a small salary during the salesman's early training after he has studied the course.

At the least, this course is bound to make men who are already selling Chrysler and Plymouth cars better salesmen, and to make selling automobiles a more attractive vocation.

Chrysler Sales Corporation bore the expense of having the research work carried out and the texts prepared. The salesmen pay a tuition fee of \$20 for the set of ten books and the instruction which they receive from the university. The books are their property.

#### *Start Campaign to Sell "Logged-off" Lands*

Thirty thousand dollars has been raised by the Chamber of Commerce of Centralia, Washington, for an advertising campaign to sell the logged-off lands of that vicinity for farms. The money will be spent over a period of three years in Swedish, Norwegian and German language papers in the Middle-west.

**Reader Interest? How's This?**  
**From a questionnaire that was**  
**mailed to a representative farm**  
**trading area of the Southwest**

**915**

**returned questionnaires and 554 or**

**60.5%**

**said that all members of the family**  
**read Farm and Ranch... One me-**  
**dium dominantly reaches this rich**  
**Southwest Farm Market**

**of 1,048,000 farm-families**  
**with an annual income of**  
**\$3,000,000,000 . . . . .**

*it's*

Main Office & Publishing  
House, Dallas, Texas

Eastern Office, New York,  
52 Vanderbilt Avenue

Western Office, Chicago,  
122 S. Michigan Blvd.

**FARM AND RANCH**

*The Farm Paper of the Southwest*

## Editorials

**THE REAL BOLSHEVIKS IN BUSINESS:** Dr. Glenn Frank, the active-minded president of the University of Wisconsin, has some ideas about Bolshevism in business that are pertinent to current discussion in the pages of this magazine. "The real Bolsheviks," he says, "fall readily into two groups: first, those who are the apostles, not of red theory, but of red tape; second, those whose blundering administration puts the balance sheet of business in the red. These are the men who give us the Bolshevism of blundering—a Bolshevism more sinister than the Bolshevism of bombing. We have yet to appreciate fully as a nation that a business must be successful before it can discharge its full social responsibility to the commonwealth. We rightfully keep an eye on startlingly successful business. Power always carries with it the temptation to its own prostitution. Private business has its public duty and any people has a right to keep business reminded of this fact. But some day we may think that society should be just as prompt to investigate a business that fails as it is now prompt to investigate a business that succeeds signally. For, after all, a business that blunders is a business that renders itself incapable of discharging its duty to society." Profitless sales are the worst form of this sort of Bolshevism in business, for their evil consequences fall not only upon those responsible for them but upon those who seek to discharge their full duty to society along the lines of sound, constructive business.

**SECRET REBATES:** No one seems to know exactly what is the present attitude of the Federal Trade Commission toward trade association agreements, but most inferences from recent action point to evidence of greater insistence on freedom of competition. The change is more in letter than in spirit. The law forbids discriminatory prices, except in certain specified circumstances, which "substantially lessen competition or tend to create a monopoly." The commission is requiring explicit acceptance of the law. In so doing it is merely clarifying the situation. . . . There is obvious need of this. The anti-trust acts were aimed at combinations capable of restraining trade by exercise of preponderant power. In the minds of many business men these laws, under changed conditions, tend rather to shackle the weak by preventing associated action essential to competition with great companies which, by the rule laid down in the United States Steel-Tennessee Coal & Iron case, are not illegal merely

by reason of size. The commission has no option in the matter. It must enforce the law as interpreted by the courts. If the law has ceased to promote the public interest there is no better way to prod Congress to corrective action. . . . The secret rebate appears to be the present bone of contention. It is an unmitigated evil which sooner or later must be dealt with effectively. The commission has ample powers to stop it as unfair practice. That body seems to lack only the resolution which enabled Theodore Roosevelt to destroy secret rebating root and branch in the case of the railroads. Clayton Act exceptions to the rule against discriminatory prices were intended to legalize transactions in the open. When advantage is taken of these exceptions justification should be demonstrable in the sight of all men.

**GOOD SELLING AND BAD BUYING:** "Three out of five buyers don't know the prices in their departments at which they sell most goods. And not one out of ten knows the fashions he's selling fastest." This statement is made by Amos Parrish & Company after studying the selling methods of large numbers of retail stores. They add: "More than a third of the buyers operate their departments at a loss. Nor do buyers know the manufacturers on whose goods they make the best profits—and suffer the most losses." From another source comes the information that an increasing number of departments in stores are falling behind from lack of knowledge about fundamentals such as prices, styles, and buying habits of store customers. . . . In the light of criticism of this kind the observer is inclined to wonder how so many retail merchants get along as well as they do. Probably the conditions are not quite so bad as they are depicted. But any one who notices the wide discrepancies among stores' earning statements must come to the conclusion that good management is sadly lacking in many cases. . . . How about the other side of the picture? Where there is so much poor buying there must be far more bad selling than is necessary. The best salesmen make it their business to do what they can to help their customers to buy what can be sold easily at a good profit. They keep in touch with consumer trends and market conditions. The short-sighted salesmen are satisfied if they can dispose of their wares. Bad buyers who are open to reason give to good salesmen their best opportunities to establish enduring good will—the good will of mutual advantage.



# How You Can Contact the Farm Market

(Continued from page 205)

and the comparative advantages of different kinds of fillers and labeling.

"State laws on bedding were studied and mattresses and pillows opened and examined by the groups. In one instance, what appeared to be a first-class mattress was shown to contain factory sweepings, cigar stubs and other materials in defiance of the law, and aroused great concern.

"Visits to mattress factories were made by the groups when trips were convenient. A few manufacturers of high-grade mattresses cooperated in every possible way, from offering samples of materials used to allowing the groups to visit their factories and see the processes of construction and renovation.

## State Playlet Contest

"With an increased recognition of the importance of comfortable and sanitary bedding, during the third year the idea developed of conducting a state-wide playlet contest on the subject. Four manufacturers offered prizes for the county, district and state-wide contests. Farm women in eighty-four community units wrote and presented skits and playlets before community groups. These were followed by nineteen county or district contests, districts representing a membership of from 8,000 to 9,000 women. Finally, the state-wide contest was conducted and state winners invited to Chicago, with all expenses paid, to give their playlet before the annual meeting of the National Better Bedding Alliance.

"These contests gave wide publicity to the desirability of selecting good bedding, not only among farm women but also among their daughters. As a result of the project, a demonstration of beds and bedding was given by the 4-H Club girls at the State Fair. From every viewpoint the project was a success and the rural women considered it so helpful that the report of the State Better Bedding Committee of the rural women's organization suggested that the work be continued during 1930.

"In the Central States many similar studies have been made and they are typical of the work in all of the states. In the field of nutrition some of the subjects studied are: sources of supply, types of marketing, steps in marketing, distributing and financing, and costs of retailing. In clothing, yard

goods and factory-made garments are analyzed as to fibre, weave, suitability of materials, cut of garments, seams, finishes and seasonableness of style. Similar studies of household equipment and many other home necessities are being made.

"The home demonstration work also includes studies of such widely divergent articles as textiles for the house, garments and underclothing, shoes, hosiery and clothing accessories; staple, fancy and fresh groceries; furniture; sickroom appliances and household medicines; water, lighting and heating systems, refrigerators, sewing machines, wall and floor coverings, electrical equipment for the home, motor power for the house, paints, wallpaper and kalsomine; various types of cooking, cleaning and laundering equipment; beds and bedding; chinaware, silverware, glassware, cutlery and the like. Accessories for personal use are also studied and include dress trimmings, neckwear, handbags, umbrellas, scarfs, jewelry and hair ornaments. And the household accessories include pictures, magazines, books, draperies, curtains, lighting fixtures, pottery and similar items."

## Aids Sound Merchandising

The value of the work to cooperating manufacturers is evident; but Miss Frysinger pointed out another benefit which extends to the protection of sound merchandising and goods of quality and value. In a great many instances, rural women have discovered misrepresentation and faults in fabrics, clothing and many other products. In direct selling the training of the women has prevented the sale of misrepresented and inferior merchandise of many kinds. As an example of the selling campaigns that have failed for this reason, a manufacturer of kitchenware recently found that it was impossible to sell his goods profitably in one state, because of the knowledge of the rural women of both the materials used and the methods of manufacture.

In offering cooperation there are several factors which the manufacturer should consider. His goods must be necessary to the demonstration work, for reason of quality, individuality, value and adaptability to the purpose of the studies currently under consideration. His products may be

either lent or given for demonstration purposes, and, under certain circumstances, may be demonstrated by his own representatives.

The increasing number of commercial firms employing trained home economists was commented on by Miss Frysinger, who said that the extension service welcomed the aid of such representatives when the goods, the policies and the purposes of the firms conformed to the principles of the work. Likewise, the literature published by some manufacturers may be distributed when it is an acceptable part of an educational project; but in every case it must be based on sound scientific inquiry.

"In none of the studies or demonstrations," Miss Frysinger explained, "do we mention the brand or trademark of any manufacturer. This rule holds for our own and for manufacturers' representatives. In the distribution of literature we insist that the manufacturers assume responsibility for the research data which underlie all statements made. Those who cooperate with us are welcome to any benefit that may accrue to them through the use of their branded goods; but we do not allow any statement to be made that may be accepted as an endorsement or a recommendation.

## Programs Start in Fall

"Because the states carry on the work independently a manufacturer who desires to cooperate must get in touch with the various state leaders to determine where his goods may be used to advantage.

"State programs are usually inaugurated in the fall; but a manufacturer may discover that his goods may be used even after a program has been completely planned. For instance, he may be producing foundation garments, and find that several clothing projects may include his goods to advantage. Or he may be making some useful kitchen specialty that can be added to the programs of projects in several states.

"There seems to be no limit to the variety of articles which may be used in the work to the benefit of manufacturers. And the benefits are far extended beyond the stimulation of sales. In many instances, manufacturers have improved the effectiveness of their advertising and selling effort by studying the educational work accomplished that involved their kind of goods. Also, in innumerable instances, the experiments and observation of the women have resulted in recommendations by them as to desirable improvements in devices.



## The Christian Science Monitor



### These Things Are Worth While

Here's what you get from your advertising investment in The Christian Science Monitor:

1. Your sales messages are linked with the prestige of the Monitor in 135,000 homes.
2. Your campaign is "merchandised" to dealers by Monitor advertising representatives in hundreds of cities.
3. Your product is featured by dealers in their own advertisements.
4. Sales through present dealers are increased and new outlets added.

Published by The Christian Science Publishing Society, Boston, U. S. A.

TP 20-5/30

"Through cooperation with the extension service and study of the principles involved, together with the educational work accomplished, I believe that any manufacturer of suitable goods, who is operating on a sound educational and economic policy, can immeasurably improve his farm markets. It is simply a matter of realizing that educational cooperation on the part of a manufacturer is a sound investment in building up a long-time demand for merchandise of quality and value in the farm field. The elimination of immediate selfish interest and a desire to contribute toward the labor-saving, economy and comfort of the rural home will assuredly increase the profitable success of all concerned."

### Cooper Puts Promotion on "Future" Basis and Trebles Sales

A sales increase of 280 per cent in the first three months of 1930 over the corresponding quarter last year has been registered by R. Cooper, Jr., Inc., distributor of General Electric refrigerators in Chicago and adjacent territory in Illinois and Indiana, largely as a result of a new advertising strategy.

"Last year a percentage of our monthly sales was spent on advertising the following month," R. Cooper, Jr., president, explained to SALES MANAGEMENT. "This made our consummated business the deciding factor for the advertising." Business increased, Mr. Cooper said, but its growth was hampered by the fact that promotion was based on the past and not on the future.

"This year, therefore," he continued, "we have changed our schedule and appropriated a budget for the year's advertising, distributing over the twelve months—tying-in more aggressively with the \$6,000,000 national campaign of the General Electric Refrigeration Department."

The company's sales expansion, although rapid, has been consistent and Mr. Cooper found that in its sales and advertising plans he could ignore the "cry of poor business" and work for at least a normal increase this year. "After the stock market crash our sales force was kept intact. Instead of 'trimming,' we added a number of men.

"Our collections, based on volume of business, have averaged 26 per cent better this year than last, and March was 38 per cent above the same month of last year."

## Air Industry Holds First N. Y. Show; \$31,000 to Push It

The Aeronautical Chamber of Commerce of America will hold its first show in New York at Madison Square Garden beginning today, May 3.

The chamber is spending \$31,000—\$20,000 in newspapers—to advertise it, and is obtaining the cooperation of various members of the industry as well as hotels, railroads, department stores and other organizations, to promote the show in their own advertising. This "auxiliary campaign," the chamber estimates, is enabling them to do a \$500,000 advertising job for one-fifteenth of that amount.

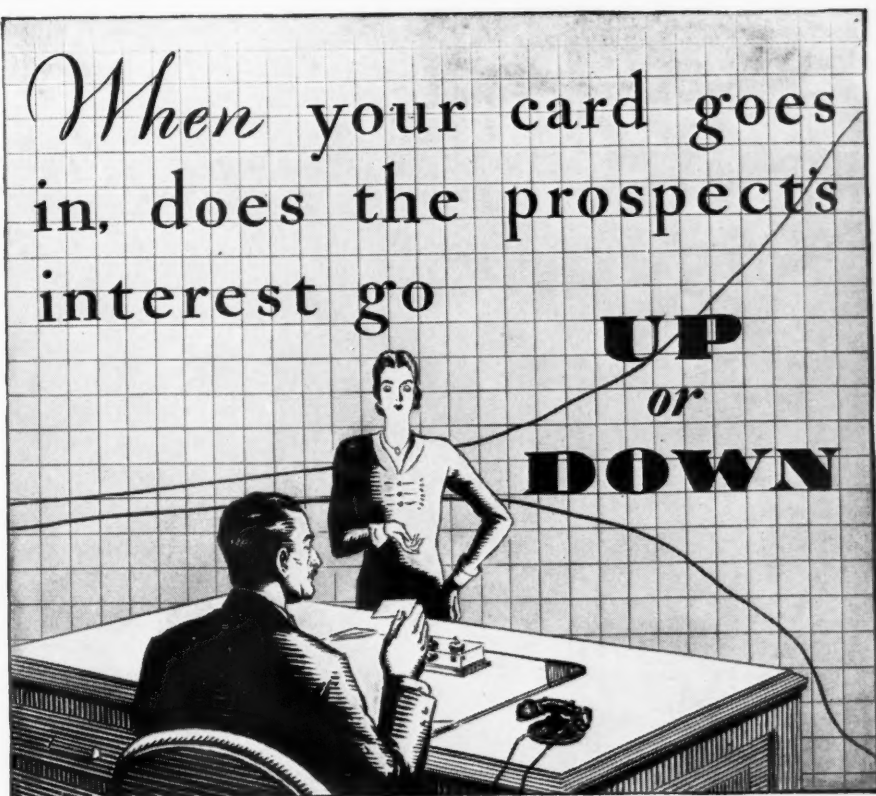
*Time* magazine, for example, is running a full-page spread in a number of newspapers. The show is being mentioned in 600 hours of radio broadcast time—the equivalent of \$250,000 worth of time and twenty-five hotels are carrying a "show line" at the foot of their menus. Four hundred thousand "show" stamps are being used on envelopes; 4,000 circular signs are appearing on the back of Checker cabs in New York City and railroad lines have contributed space for 5,000 signs for display at their stations to stimulate tourist travel to New York—the Pennsylvania using them as far west as St. Louis. J. M. Horton Ice Cream Company is promoting a special aviation sundae during the week and so are six chain drug stores.

Platt-Forbes, Inc., is the agency in charge of the campaign.

The show will be the largest ever held in this country, the valuation of the planes exhibited alone being 50 per cent higher than any other. The show is not intended to sell airplanes but primarily air transportation—the air transport lines being by far the largest "consumers" of the \$98,000,000 worth of products of this \$400,000,000 industry last year. It will feature the idea that the air lines are not only faster than any other means of transportation, but are now as low in cost and virtually as safe.

First pictures of the Byrd Expedition to the South Pole are being exhibited at the show by the *New York Times*. The *New York Herald Tribune* will display a model of one of the Transatlantic dirigibles now being made by the Goodyear company.

Lindbergh, Chamberlin, Hawks, Earhart, Williams, Yancey and Gobel—in addition to New York's own Grover Whalen, Government officials and two hundred Government planes—will take part.



Genuine Engraved Business Cards Create an Impression That Helps Make Sales

**B**ACK of this particular call may be an investment of many hours and many dollars. Perhaps upon it may depend a substantial share of profits for an entire fiscal period. Create the proper impression before the interview starts—with the card that announces your representative to the prospect. ¶ Genuine Engraved Business Cards are silent salesmen; they present a convincing picture of stability, dignity, quality that goes deeper than mere surface appearance! ¶ The trifle of added cost is most decidedly an investment that will yield assured dividends in prestige and good will. Do not handicap your salesmen by forcing them to use imitations. Make certain that the Mark of Genuine Engraving is on every package of business cards you order.

# GENUINE ENGRAVING



ENGRAVED STATIONERY

MANUFACTURERS ASS'N



## Dip Down Deeper in the South

Thru the Southern Methodist Publications, you can easily and economically reach more than a million good substantial white people—the very cream of the buying power of the South. Turn to *Standard Rate and Data* or let us send facts and figures on this great untapped fertile field.

### LAMAR & WHITMORE

*Publishers*

E. M. McNeill, Advertising Director  
E. J. Lines, Traveling Representative

810 Broadway  
Nashville, Tenn.



Summer Days Are  
Comfortable... Here

SUMMER days in Chicago are comfortable... at THE DRAKE. Pleasant... spacious... airy rooms and an ideal location... overlooking Lake Michigan... Beach, bridle paths... Lincoln Park... and other attractions immediately accessible. Rates begin at \$5 per day. Permanent Suites at Special Discounts.

**THE DRAKE**  
HOTEL, CHICAGO  
Under Blackstone Management

"AN ADDRESS OF DISTINCTION"

## These Ideas Landed Orders from Big Food Buyers

(Continued from page 210)

or stores located in small towns and cities, where travel costs eat up profits. Many such wholesalers have found salvation in selling to institutional outlets. The purpose of my trip was to find out how wholesalers went about organizing such departments. I had the privilege of sitting in on a meeting of forty salesmen of one of the largest wholesalers. The president was outlining plans for such a department and I was a guest speaker—to tell how we buyers wanted to be sold.

The highlights of the president's talk were about as follows:

"Forty salesmen had been sleeping in hotels, eating in restaurants, joining clubs and driving past hospitals without thinking of the markets so close at hand.

### Business Reorganized

"No one, not excepting himself, had thought about analyzing possibilities for 'salvation sales' until they were against the wall."

But now the entire business was being reorganized. One man was made responsible for sales to institutions. He had gone through the entire line to pick out items of special interest to quantity users. These included coffee, tea, cocoa, cheese, dessert powders, ginger ale, flour, canned vegetables (No. 10 cans), canned fruit (No. 10 cans), seasonings, baking powder, sugar, breakfast cereals, dried fruits, dried cereals, cooking fats and oils, salad oils, condensed milk, syrup, table water, pickles, olives and canned ham.

On the desk before him he had a stack of quantity recipe cards issued by the General Foods Corporation. He explained how they had been tested and approved—what a real service they could be to the food buyer and the menu maker. He told how wholesalers in other cities used them as a service to their customers.

"Carry some with you, at all times," he said. "If you are trying to sell Jello, leave a few quantity recipes to show how the dishes can be made. A Minneapolis jobber says that these cards are the best sales promotion material he uses. They can do the same for us."

Manufacturers selling through jobbers have a real missionary job to do, if they want business from hotels, restaurants and other large users. Most of the jobbers stock the well-known

brands, but no effort is made to push any specific one. Salesmen still follow the lines of least resistance, unless they are given a plan that requires practically no effort. That is why companies like the General Food Company, Procter & Gamble, Battle Creek Food Company and Pabst Corporation have been unusually successful in getting the salesmen's co-operation.

Quantity recipes should be selected carefully. At times present consumer recipes can be "built up" to quantities of twenty-five, fifty or one hundred servings. Portion sizes must be studied as they are rapidly being standardized in leading hotels and restaurants. Then each recipe must come up to the following requirements: 1. easily made, 2. sold at a profit, 3. served easily, 4. made of easily obtainable materials, 5. seasonable, 6. usable left-overs.

The recipe should be on four by six-inch cards and it is often advisable to use a picture of the completed dish ready for service—and possibly an idea of how the dish should be listed on the menu. That, after all, is the secret of a dish's success. If it sells well it will find its way back on the menu frequently.

### Great Sales Possibilities

It is admitted that this quantity consuming market has peculiarities. But it also has great sales possibilities. Even a casual survey proves that there is big business in these homes for the masses. In addition to the companies discussed, exceptionally credible results have been obtained by Libby, McNeil & Libby, Kellogg Company, George A. Hormel & Company, Canada Dry, Welch Grape Juice Company, Hawaiian Pineapple Association, H. J. Heinz Company, Rubysette Company, Seemon Brothers, Asparagus Division of the Cannery League of California, Italian Vineyard Company and the Southern Cotton Oil Trading Company.

Those who are merchandising their advertising, with material that helps the food buyer to increase sales, are making the greatest progress.

Writers Bureau, Inc., an advertising copy service, is now located at 44 East Twenty-third Street, New York.

International Business Machines Corporation is now at 270 Broadway, New York.

## That Famous Old Fairy Tale

(Continued from page 203)

when we deliver it, thus establishing proof of delivery and a contract relationship between shipper and consignee. Again, a shipment sent by express is more likely to reach destination in good order than if sent in any other way, and the cost is but a few cents more; often not as much if the shipper pays cartage at both ends.

Consider the advantages to the consignee, as well as the shipper. A small men's wear retailer in Omaha had been having his goods shipped by freight and when one of our representatives called on him he insisted he couldn't afford to pay express charges. Our agent promptly assured him he couldn't afford not to have his goods come by express and proceeded to show him the advantages of buying in smaller quantities, getting a quicker turnover, getting style goods while they are still in demand, and avoiding being stuck with unsalable goods due to buying in large quantities.

### Getting Christmas Business

During the Christmas season millions of people carry their packages to the post office and stand in line for hours without once thinking of the express service. Last season one of our agents slipped a Christmas circular, bearing the name and telephone number of his office, under the string of each package which his office delivered in the residence district. That was all, yet the number of telephone calls requesting pick-up service more than tripled.

In many instances our air express service is of great value to shippers also. One case which comes to mind was that of a creamery which was bidding for a contract involving many carloads of butter. Our agent suggested that they send just a couple of small samples by air express. They did so and got the contract.

In addition to doing educational and promotional work, it is expected that our commercial agents will develop new business which will be helpful to the shipper, as well as to us. A classic example of this kind is that of Rocky Ford cantaloupes. Many years ago the originator of this delicacy was just a small truck farmer out in Colorado; a representative of the express company learned of the wonderful cantaloupes he was producing, investigated, and suggested that he enlarge his market by shipping by express to nearby towns. He did so and for years he shipped by express, steadily widening his market and doing a larger and larger volume of business.

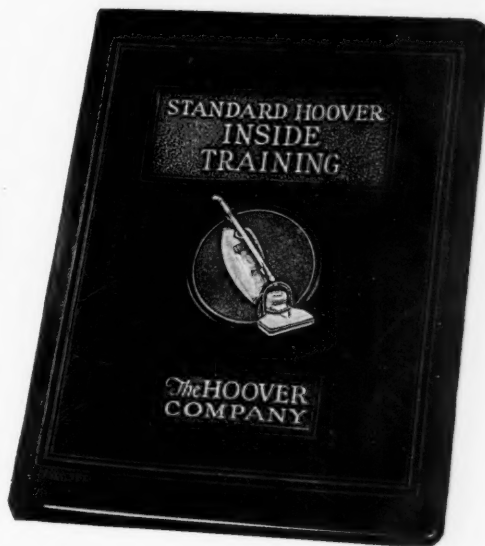
# THE COVER

IS THE KEY TO THE CONTENTS

**B**URK-ART distinctive covers, like this one for The Hoover Company, are essentially inexpensive. Almost unlimited variety of materials permits the selection of a Burk-Art cover to meet the cost requirement of practically any book or catalog.

### Burk-Art

The name of a process of embossing and decorating various binding materials to produce book and catalog covers of distinctive beauty in color, texture and design.



**THE BURKHARDT COMPANY**  
SECOND AT LARNED DETROIT MICHIGAN  
CREATORS OF VISUAL SELLING EQUIPMENT



## Buying Power Is Rising Now

**C**OWS are freshening. Soon they will be out on green pastures. Then feed expense will fall while receipts from milk will climb. Net income from the dairy is largest during Spring and early Summer.

Readers of the Dairymen's League News are still enjoying satisfactory prices, in spite of the national milk surplus. This is because they are located close to the world's greatest fluid milk market. Also because of the stabilizing power of a great co-operative marketing association.

The Dairymen's League News is the *only weekly dairy paper* published in the East. This permits of quick action and a flexible schedule.

Write for Sample Copy and  
Rate Card.

## DAIRYMEN'S League NEWS

**"THE DAIRY PAPER OF THE  
NEW YORK CITY MILK SHED"**



This Map Shows  
"The New York  
City Milk Shed"

**New York**  
11 West 42nd Street  
W.A. Schreyer, Bus. Mgr.  
Phone Pennsylvania 4760

**Chicago**  
10 S. La Salle Street  
John D. Ross  
Phone State 3652



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KENT,  
WILLARD  
& Co., Inc.**

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*Merchandising  
Counselors*

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BOSTON, MASSACHUSETTS

We have available for distribution a brochure entitled, "Adequate Profits," which contains considerable data of interest to the business executive. A copy will be sent gratis upon request.

## Salesmanship for the New Era

By CHARLES W. MEARS

This book grows out of the famous course in salesmanship which Charles W. Mears gives in Cleveland, and which is attended by hundreds of salesmen and sales managers from all parts of the country.

What the salesman wants to know and has to know today about merchandising, about sales appeal, about his personal conduct and his relations to the firm—are all set forth here in a way that has proved to be of benefit to the men who have taken his course. 288 pages.

*Remittance should accompany  
order; no approval  
privilege.*

Price, postpaid, \$3.00

**Sales Management**

*Book Service*

420 Lexington Avenue  
New York

## What Is a Sound Expansion Policy?

(Continued from page 216)

now has his eyes on the Wilcox-Rich Corporation and the Peterson Spring Company. If the stockholders ratify this deal, Mr. Eaton will certainly be strongly entrenched in automotive parts diversification.

Sometimes a concern may seem to go quite a distance from its original business in order to diversify. Henry Disston & Sons, Inc., appears to have done that when it added trowels to its line. Actually, though, trowels are not far removed from saws. The same lively blades needed in making saws can also be used for trowels.

Most concerns, however, when they enter a program of diversification, prefer to bolster their position by going into other businesses. In that way their success is not altogether dependent on the future of one market. That is ideal diversification. The Stewart-Warner Corporation is an exponent of this type of expansion. It is a big factor in the automotive business. It plays a large part in radio. It makes die castings for other industries. It produces furniture trimmings and miscellaneous hardware. Through its alemite subsidiary, Stewart-Warner has another nice little sideline in lubricants and lubricating machinery.

### Bohn's Diversification

The Bohn Aluminum & Brass Corporation is another skillful diversifier. Bohn is strong in the automobile business, but it also makes things for the aviation industry and for use in households. It is in the plumbing supply trade, too.

Sparks-Withington Company is not relying solely on its automotive market. It is in radio besides. Continental Motors Corporation makes motors for general industrial and for farm use as well as for automobiles. The Chicago Pneumatic Tool Company is diversified both as to markets and products in a manner that should always keep the wolf from its doors. The Delco-Light Company makes lighting systems for rural homes. It had a chance to supply gas to these same rural customers. So Delcogas has been placed in the line.

Perhaps Pullman, Inc., was not obliged to diversify. But it did anyway, wanting to be on the safe side. Some months ago it bought the Standard Steel Car Company and the Osgood Bradley Car Company. Now it is able to show a much broader range of wares in its display windows.

The Remington Arms Company first

saw the light of day back somewhere near the beginning of the last century. During its long career it made many things. A few years ago it found itself pretty much confined to the arms business. Not a very promising business, with a big war ended and League of Nations talk in the air. So Remington has been diversifying with a vengeance. It is in the cash register business. It has a huge line of cutlery and other hardware. For a while it produced automatic vending machines. Its latest venture has been the Remington Automatic Quotation Board, for stock exchange and brokerage office use.

Another arms manufacturer—Savage—has been engaged in diversification. Shortly after the war it inaugurated an electrical division and has attained considerable success with its washing machine.

### From Scales to Engines

This year we are celebrating the hundredth anniversary of the invention of the platform scales. It was invented by Thaddeus Fairbanks. He ran a wheelwright and foundry business at St. Johnsbury, Vermont. He had been given an order for some hemp-working machines. He found no satisfactory method of weighing hemp. So he brought his famous scales into existence.

The scales are now made by Fairbanks, Morse & Company, the manufacturers of one of the most diversified lines in America. This line consists of scales, Diesel engines, electric motors, generators, pumps, home light and water systems, gasoline engines and railway motor cars.

Is it wise for a company to turn out such a ramified range of products? It all depends on whether the concern has the facilities to manufacture its line properly and the marketing set-up to sell its production profitably. That, after all, is the only test by which to judge a diversification program.

In this connection I am reminded of an experience of Thomas A. Edison. Edison's first invention was a device to record votes. By means of it a senator could push a button on his desk and his vote would be tabulated on the presiding officer's desk. The thing was tried out in Washington and it worked fine. But while practical mechanically, the device was not right psychologically. A political or legislative body does not want to vote silently. The voters want

everyone to know how they voted.

So Edison learned his first great lesson—never to invent until he was reasonably sure there was a market for it. That is a good rule for the diversifier, also—not to add a product until he is certain he can sell it.

## Roy Mock Addresses St. Louis Group

(Continued from page 220)

"The second one of these maladies is fear. It seems silly that a big husky man should be afraid, but many of them are afraid of buyers.

"The third disease of a salesman is territoritis: the other man's territory always looks green. They feel they would do better if they were somewhere else. Mr. Patterson of the National Cash Register Company told me his best territory is where his best salesmen are. I knew a firm that had one man cover the whole of Ohio. They felt they should get more business, so they divided the state in half. The same salesman in half the state made \$8,000 in a year where formerly he made \$6,000 in the whole state; so they cut it in two again and again and he is now making about \$15,000 on about three counties. Instead of getting about \$40,000 a year in business from that state they are now getting almost a quarter of a million. Now that's sales management.

"The fourth barrier is the mental attitude of the sales manager. It is necessary for the sales manager to think big and talk big. There isn't much trouble in getting them to talk big. I like to think of the experience that I am told occurred in Marshall Fields, where in the luggage department they placed a \$700 trunk, and as the customers came in to look at trunks, the first one they showed them was the \$700 trunk; that made the little \$10 they came in expecting to spend look small. Of course, nobody ever bought that trunk, but they did build up their sales in that department. Marshall Field acted as his own sales manager in feeding down ideas to his own salesmen.

"A wholesale house, not long ago, asked me to ship them a complete line of scales for sample purposes. I said, 'No use, you won't sell them.' 'That's all right,' they said, 'we only expect to sell two or three numbers, but if we have them parked in the room as a big display, we have found the dealers say, "The scale business must be on the increase, because look how they are featuring this stuff." You have to think big and talk big. One of the biggest sales I ever personally made

was a carload of kitchen scales. I went to the department store buyer and told him I would like to sell him a carload. He said, 'Whoever heard of such a thing?' I said, 'That's the very reason you ought to buy a carload. You buy everything else by the carload, buy a carload of kitchen scales and prove it.' I said, 'Put a quarter-page ad in the paper so the public will know your business in scales is so big you have to buy them by the carload.' He said, 'Will you pay for the ad?' I said, 'We'd pay for half.' And he sold the scales in ten days.

*"Barehanded sales management consists simply of understanding there are no barriers which cannot be overcome, and making your men understand it."*

## Philadelphians Hear Frigidaire Executive

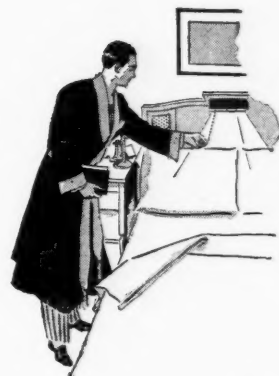
(Continued from page 220)

maximum efficiency can be obtained from your men only after you have obtained the answers to the following three questions: How many men do I require for this selling job? Are my men doing as well as the average man should do? Is the work being done by my men satisfactory? The answers to these three questions can only be obtained by careful and complete reports periodically made by the men themselves. The sales manager is interested in just two factors—the quantity of work being done by each salesman and the quality of work being done by each salesman. The reports of each salesman would give this information as well as answer the foregoing three questions.

"A salesman can spend his time in only two ways—moves made getting into presence of the prospects and moves made in the presence of the prospect. There is a definite ratio between the results produced by a salesman and the moves made getting into the presence of his prospects. A salesman's time can be divided into five classifications—contacting the prospect; interviewing the prospect; explaining the product; issuing the invitation to do business; and then actually getting the order. You, as a sales manager, should be able to tell just how each one of your men spends his time and should know that the correct emphasis is being placed on each step of the sale. This can be done only when complete reports are rendered by each salesman and then carefully perused by the sales manager.

"Your organization wouldn't think

# Hotels that keep ahead of your demands



The traveling public didn't demand a bath with every room, or circulating ice water, or a morning paper under the door at no cost—until Hotels Statler inaugurated these improvements.

There are also bed-head reading lamps, full-length mirrors, colorful furnishings, even threaded needles in the pin-cushions in every room.

In restaurants there is the widest variety, ranging from formal a la carte service to lunchroom or cafeterias.

But it is in Statler Service that this policy of keeping ahead of your demands is most noticeable. Statler employees are not only instructed but are trained in courtesy and helpfulness. They, too, keep ahead of your demands.

# HOTELS STATLER

BOSTON DETROIT  
BUFFALO ST. LOUIS  
CLEVELAND NEW YORK  
[Hotel Pennsylvania]



of doing business without an accounting system. Neither would you ever walk to the window and throw away a handful of dollar bills. And yet, each time the average sales manager takes a merchandising step he does practically the same thing. It is possible to introduce into sales management the same methodical manner of working that is used in production."

A short discussion of Mr. Lee's speech, during which he answered a number of questions asked by those present, concluded the meeting.

Representatives of LaFrance Textile Mills and J. J. Pocock, local distributor for Frigidaire, attended, as well as the usual delegation from Wharton School, University of Pennsylvania. The club has issued a standing invitation to the school to send a group from the senior class to each business meeting. This is part of the club's contribution to the education of young men in practical business methods.

The April meeting is the final business meeting of this season—the regular May outing of the club will complete the club year.

### Sales Management Weekly Index to Motor Activity

(Average of years 1924-28, inclusive, equals 100)

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Jan. 11 ... 114	Jan. 12 ... 138
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The exact sources of data on which the SALES MANAGEMENT Weekly Index of Motor Activity is based cannot be completely explained or disclosed for the reason that much of the information used is obtained in confidence. The computation itself is entrusted to one of the leading economists and statisticians of the automotive industry.

### Hearst Re-acquires Smart Set

William Randolph Hearst has repurchased *Smart-Set-McClure's Magazine* from J. R. Quirk, who acquired the two magazines about two years ago and merged them. Executive personnel of the magazine will be announced by Mr. Hearst about May 15. Mr. Quirk also publishes motion picture magazines.

## Personal Service and Supplies

Classified Rates: 50c a line of seven words; minimum \$3.00. No display.  
Cash Basis Only. Remittance Must Accompany Order.

### SALES PROMOTION

\$50 to \$50,000 DAILY SALES SECURED FOR our clients. This distributor took on a new specialty, retailing at \$60. His first purchase \$12. We submitted a sales program capable of national expansion. Within four years his sales were nationwide, running to \$100,000 monthly. 35 years' salesmanship-in-print experience back of our campaigns. Submit sales problems for free diagnosis. 10 years Sales Promotion Manager, Larkin Co. James C. Johnson, 119 Woodbridge Ave., Buffalo, N. Y.

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ment is invited. The undersigned provides a thoroughly organized service, of recognized standing and reputation, through which preliminaries are negotiated confidently for positions of the calibre indicated. The procedure is individualized to each client's personal requirements, your identity covered and present position protected. Established twenty years. Send only name and address for details. R. W. Bixby, Inc., 118 Downtown Building, Buffalo, N. Y.

EXECUTIVES — CAPABLE OF EARNING from \$5,000 to \$50,000 per year can make profitable contacts in all parts of the United States through our service. Confidential and reliable. Write for particulars, Associated Executive Service, Inc., 1204 Colonial Bldg., Philadelphia, Pa.

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We will reprint at cost plus ten per cent for postage and packing any article in this or other issues of SALES MANAGEMENT.

In every issue there are articles which profitably could be sent to business associates, customers, or friends of some of our readers. We shall be pleased to quote prices in any quantity desired.



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for Every Purpose

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New York Office 2152 Granbar Bldg. Thomas L. Briggs, Manager for United States